Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper ** Paris, Wednesday, December 20, 1995 No. 35,088

U.S. Trims Rates Amid Signs Growth Is Slowing

Central Bank Cites Subdued Inflation, Wall St. Cheers Step

By Lawrence Malkin
International Herald Tribune

NEW YORK — Caught in heavy financial and political crosswinds, the U.S. central bank trimmed its key short-term interest rate on Tuesday by a quarter of a percentage point, to 5.5 percent.

With sluggish retail sales at Christmas signaling that some of the bounce is going out of the U.S. economy, the Federal Reserve Board's policy-setting Open Market Committee trimmed the Federal Funds rate — the rate banks charge each other for overnight loans. The last time rates were cut was on July 6, when the Fed Funds rate was lowered to 5.75 percent from 6.00 percent.

Justifying the rate cut in economic terms, the Fed said weak inflation played a major role in its decision. The choice to cut rates comes at a time when many in the financial markets feared — mistakenly, as it turned out — that the central bank would hesitate to move until the White House and Congress managed to reach an agreement on how to balance the budget.

At the end of the Federal Open Market Committee meeting, Alan Greenspan, the Fed's chairman, said, "Since the last easing of monetary policy in July, inflation has been somewhat more favorable than anticipated." This, he said, "warrants a modest easing in monetary conditions."

Mr. Greenspan did not mention a string of statistics showing the economy softening, including slower housing starts, retail sales, and Christmas-season employment.

Wall Street reacted positively. Stocks, bonds and the dollar rose, making up for some of the ground lost Monday, when the Dow Jones industrial average fell 101.52 points, or 2 percent, to 5,075.21. (Page 12)

The stock market was dragged down Monday by the weekend collapse of budget talks between Congress and the White House, which generated fears that the Fed would delay the cut in the federal-funds rate until the budget battle was settled.

But many market analysts felt stocks had been overdue for a correction anyway. The Dow Jones average is up 33 percent this year even with Monday's loss, and fund managers have been looking for an excuse to sell and lock in their profits by the end of the year, analysts said.

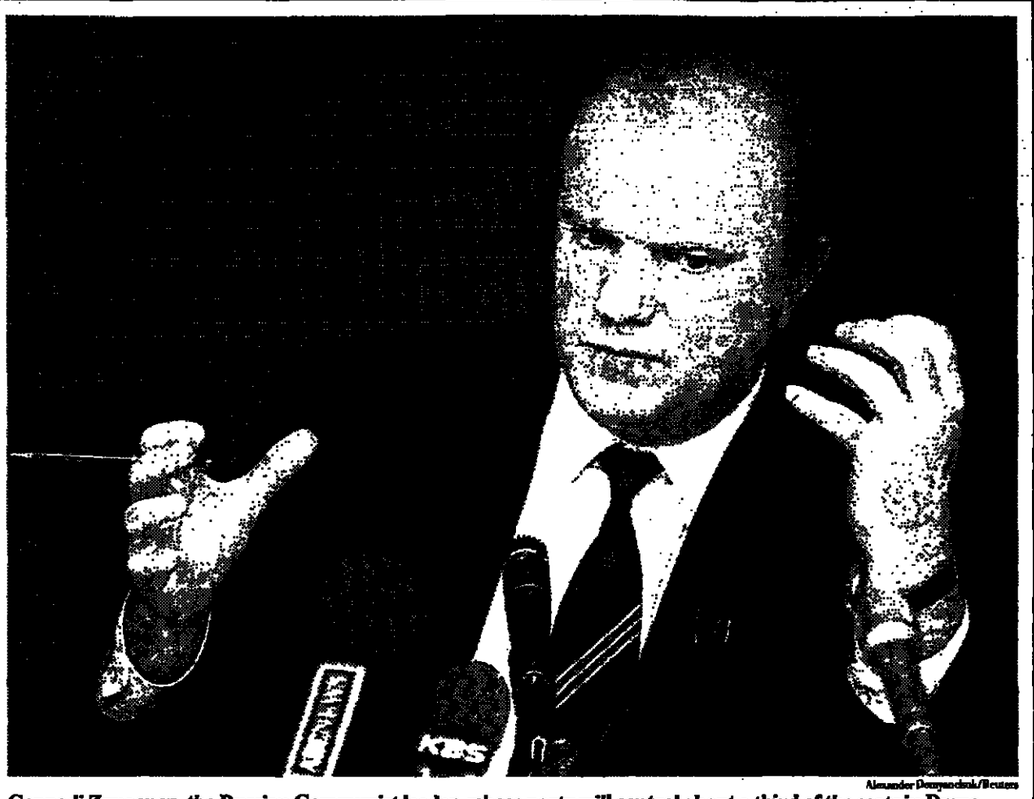
Banc One responded to the Fed's move by cutting its prime lending rate, the rate it charges its most creditworthy customers, to 8.50 percent from 8.75 percent.

President Bill Clinton said he was not especially worried by Wall Street as he prepared to enter the budget talks personally Tuesday afternoon. He told reporters, "If the markets are worried about the deficit, they should forget about it, because the deficit is going to come down regardless."

Financial markets had made Fed's decision more difficult. Wall Street has tried to turn the central bank into an unwilling actor in its own self-fulfilling prophecies. This anticipation has had "the Fed trapped," said David Jones of Aubrey Lanston & Co., because Wall Street has been feeding on hopes of a cut, and failure to deliver could have hurt the markets.

The Fed has also tried to duck the budget battle. Mr. Greenspan has raised a high profile in pushing his fellow Republicans in Congress to balance the budget. But he also has repeatedly said that it would be wrong for the central bank to lower rates as a quid pro quo to counteract the economic drag of any deficit cut. On this point, he recently won support from the Fed's vice chairman, Alan Blinder, a Democrat, who said "the idea that we should punish or reward a budget deal is pernicious."

The Fed meeting Tuesday most likely remained focused on the economy. Mr. Jones, who expected a rate cut, said the Fed was facing a weakening economy as retail sales declined and inventories built up.



Alexander Demyanchuk/Reuters

Gennadi Zyuganov, the Russian Communist leader, whose party will control about a third of the seats in Duma.

Moscow Plays Down Election Setback

'We Will Not Change Course,' Prime Minister Vows

By Lee Hockstader
Washington Post Service

MOSCOW — Prime Minister Viktor S. Chernomyrdin, shrugging off political attacks from all sides, rejected any major shifts in government policy or personnel on Tuesday despite the strong showing by Communists in parliamentary elections.

"We will not change course, nothing of the sort will happen," he said. "Personnel changes have routinely taken place and will take place in future, but they have nothing to do with this."

Despite the prime minister's comments, it was still widely expected here that Foreign Minister Andrei V. Kozyrev, who was elected to Parliament on Sunday, will be resigning from the government. There was also speculation that First Deputy Prime Minister Anatoli B. Chubais, the architect of Russia's privatization program and a favorite whipping boy for Communists and nationalists, could be forced out as the government regroups and licks its wounds in the wake of the Communist victory.

The Communists, who seemed on the verge of extinction four years ago, staged a strong comeback in Sunday's vote and are set to control about a third of the seats in the 450-member State Duma, or lower house of Parliament.

With ballots still being tallied, it

See RUSSIA, Page 4

CIA Chief Predicts Surge in Terrorism

Deutch Says He Is Redirecting Agency to Confront New Threats

By Brian Knowlton
International Herald Tribune

WASHINGTON — The director of central intelligence on Tuesday forecast "tremendous growth" in terrorism worldwide over the next 10 to 15 years, and said he was redirecting the CIA's focus to deal with the threat.

The director, John M. Deutch, said in congressional testimony that the surge in terrorism would have "immense impact on how we conduct our foreign policy, immense impact on how American businesses operate abroad."

His comments came at the end of a difficult year for the Central Intelligence Agency, which Mr. Deutch took charge of in May. It has taken heavy fire for questionable activities abroad and for its inability to ferret out a Soviet mole, Aldrich H. Ames, before he had done grave damage to the agency.

The CIA has been struggling, as well, to retool itself for a mission built not on hard Cold War certainties but on the confusions and complexity of a multipolar world.

Its new enemies, as Mr. Deutch made clear Tuesday, will increasingly be not just foreign dictators or Communist movements abroad, but drug traffickers, weapons smugglers, religious zealots and even business spies.

In his testimony to the House Select Intelligence Committee, Mr. Deutch listed several possible points of concern:

- Ethnic and religious differences will cause continued instability and become "a growing source of international terrorism."
- Transnational groups involved in terrorism, organized crime and narcotics trafficking will present a continuing threat.
- Governments "inimical to democracy," including Iran, Iraq and North Korea, will continue to cause friction with their neighbors.
- Chemical and biological weapons will continue to pose a threat, notably from states including Libya, Iraq and Iran.
- Nuclear proliferation will remain a major concern.
- Competition for resources and markets will grow more intense.

The CIA will be paying its closest attention, Mr. Deutch added, to developments in Russia and China, "because these nations have the greatest military power for the foreseeable future."

Mr. Deutch said the CIA and the other U.S. intelligence agencies were "shifting resources" to cope with the many overlapping threats.

The explosion in communications channels and information technology, Mr. Deutch said, presented both an opportunity and a threat to U.S. interests, and would have "a tremendous impact on warfare in the future."

America's lead in information technologies, Mr. Deutch said, gave it a "comparative advantage in assuring that our military commanders have dominant battlefield awareness." This advantage could help form "the foundation of our military superiority for the future."

But growing reliance on information technologies, not just by the military but also by the business and financial sectors, points to a troubling vulnerability, he testified.

An important priority in coming years, Mr. Deutch said, would be to protect U.S. information systems "from disruption and exploitation."

He called for a halt in criticism of the CIA's covert operations arm, which has been subjected to harsh scrutiny in recent years for dubious operations.

Mr. Deutch, the first CIA director since the Reagan administration to hold cabinet status, has led a vigorous campaign to tame what many in Congress see as an inefficient and sometimes dangerously unruly agency.

For Balkan Nations, a New Old Policy

Containment Is U.S. Goal

By John Pomfret
Washington Post Service

BELGRADE — In an effort to ensure that war does not return to the Balkans during or after a year-long peacekeeping mission by U.S. and NATO troops, the United States has adopted one of the principal measures it used to stabilize Europe after World War II: containment.

Just as Washington built alliances, including NATO, to prevent Soviet communism and influence from spreading in the 1950s and 1960s, it is now quietly forging military bonds with every country that borders on Yugoslavia. The Serbian-led state that triggered the last four years of war remains the region's most threatening military power.

Hungary, Romania, Macedonia and Albania are all participants in NATO's Partnership for Peace, the program designed by Washington for joint training and other military ties. All four, as well as Croatia, have signed bilateral defense documents with Washington.

The Croatian Army is helped by American advisers and Bosnia has been promised weapons and training, either by U.S. forces or through third parties. American soldiers and spies could be spotted all over the Balkans in recent months: CIA agents and army personnel were at an air base in northern Albania, south of Serbia, launching pilotless spy planes. A detachment of 650 U.S. soldiers is spending its third winter shivering in the mountains of northern Macedonia, east of Serbia, in a peacekeeping mission.

Kevin Coombs/Reuters

A British tank driver checking his gear in exercises for deployment to Bosnia.

North of Serbia, in southern Hungary, U.S. military teams are patching together two huge logistics depots for the Bosnian operation atop the foundations of former missile sites of the defunct Warsaw Pact.

While Serbia is the focus of the new arc of containment, U.S. officials stress that other states, including Croatia, with its vastly improved army, or Albania, with its nascent territorial ambitions, could also bear the brunt of U.S. economic and military pressure if they threaten their neighbors.

The evolving network of ties reflects a continuing escalation of U.S. involvement in the Balkans. When war began between Croatia and rebel Serbs in its territory in 1991, the United States refused to become involved, arguing that no American interest was at stake. After 1992, when war began in Bosnia among Serbs, Croats and the Muslim-led government, the Clinton administration tried to use airpower to support a failing UN peacekeeping mission but otherwise remained on the sidelines.

See BALKANS, Page 6

Holbrooke Shifts Targets: Now He'll Tackle Cyprus

By Michael Dobbs
Washington Post Service

WASHINGTON — Richard C. Holbrooke, the man who negotiated the Bosnia peace agreement signed last week in Paris, is planning a new bout of shuttle diplomacy, this time to promote a comprehensive peace agreement for Cyprus on the Bosnian model.

Mr. Holbrooke said the Cyprus negotiations in late January would be his last assignment before resigning as assistant secretary of state for European affairs in February.

"We intend to make 1996 the year of the big push on Cyprus," Mr. Holbrooke said.

The island, divided into Turkish and Greek-speaking segments since 1974, was recently named as a possible candidate for membership of the European Union.

Administration officials said Mr. Holbrooke informed President Bill Clinton of his intention to leave while he was flying back to Washington from Paris, and had had several conversations on the subject with Secretary of State Warren M. Christopher. They said they expected Mr. Holbrooke to continue to play an advisory role on Bosnia, and possibly undertake diplomatic missions to the region, even after his resignation.

In the last nine months, there have been widespread rumors that Mr. Holbrooke was on the point of leaving the State Department, and his departure plans come as little surprise. An investment banker before joining the Clinton administration, he began talking about returning to Wall Street last spring, to spend more time with his new wife, the author Kati Marton.

"I will leave early next year, which is behind my original schedule," Mr. Holbrooke said in a telephone interview from New York. "I am not walking away. I will leave with total support for this administration, and the policies which I was part of."

Before his appointment last August as the chief U.S. negotiator to the former Yugoslavia, Mr. Holbrooke was reported to be frustrated with the State Department bureaucracy and his own inability to make a difference on Bosnia.

But four months of intense shuttle diplomacy, culminating in the negotiation of the Dayton peace agreement last month, appeared to re-energize him, and he insisted Monday that his motives for leaving were "entirely personal."

"My wife worries that I was spending more time with Haris Silajdzic than with her," he said jokingly, speaking of the Bosnian prime minister.

He said that he had "an option to return to Wall Street," but that he had no firm job lined up and expected to spend some time traveling and writing.

State department officials said they expected Mr. Holbrooke to leave in February. They said his probable successor was John Kornblum, an arms-control expert who is presently the principal deputy assistant secretary of state in the European department.

Although Mr. Holbrooke's frenetic personal style frequently grated on his colleagues, he is widely credited with the diplomatic heavy-lifting that led up to the Dayton accord. He was prepared to take extraordinary personal and diplomatic risks to achieve an agreement between the parties and was ultimately rewarded.

'Engineered' Insects Are Ready to Romp

By Rick Weiss
Washington Post Service

WASHINGTON — After spending years struggling with the technical difficulties of adding new genes to arthropods — the group of organisms that includes insects, spiders and mites — scientists have finally succeeded in making genetically engineered bugs and are preparing to release them.

Last month, a University of Florida entomologist, Marjorie A. Hoy, became the first to ask the U.S. Department of Agriculture for permission to release a genetically altered arthropod into an outdoor test plot. The agency is considering that request, which involves a genetically enhanced line of beneficial "predator mites." The tiny, wingless, eight-legged creatures are about the size of the period at the end of this sentence and feed on spider mites, their crop-damaging cousins.

Other researchers are putting finishing touches on engineered insects that may be ready next year, including cotton-munching moths that scientists have endowed with "suicide genes." Further in the future: mosquitoes with new genes that scientists hope will make them unable to spread human diseases.

"The exciting news is that someone has finally gotten far enough along in the research to put something out in the field," said Orrey Young, head of the Department of Agriculture's Transgenic Arthropod Team.

Several environmental groups have expressed their concern, however. Jeremy Rifkin, president of the Foundation on Economic Trends, a Washington-based public interest group, filed a lawsuit last Friday against the Department of Agriculture to prevent any release of engineered arthropods until the ecological risks are more thoroughly addressed.

"We are playing with ecological dynamite here," Mr. Rifkin said. "These are alive and can reproduce and can mutate from generation to generation very quickly. They can proliferate over large territories, and they cannot be recalled after they are released."

And Margaret Mellon, director of the agriculture and biotechnology program at the Union of Concerned Scientists in Washington, urged caution. "This is a new technology with new potentials and new

See BUGS, Page 6

Newsstand Prices

Andorra	10.00 FF	Luxembourg	65 L. Fr
Antilles	12.50 FF	Morocco	14 Dh
Cameroon	1,600 CFA	Qatar	1,000 Rials
Egypt	£E 5	Réunion	12.50 FF
France	10.00 FF	Saudi Arabia	10.00 R.
Gabon	1100 CFA	Senegal	1 100 CFA
Greece	350 Dr	Spain	225 PTAS
Italy	2,800 Lire	Tunisia	1,250 Din
Ivory Coast	1,250 CFA	Turkey	T.L. 60,000
Jordan	1,250 JD	U.A.E.	10 00 Dirh
Lebanon	US$ 1 80	U.S. Mil (Eur)	$1 20

M 0132 - 1220 - 10,00 F

AGENDA

139 Killed in Angolan Plane Crash

Dow Jones: Up 34.68, 5109.89

Trib Index: Down 0.68%, 129.49

The Dollar

New York,	Tues. close	previous close
DM	1.443	1.4292
Pound	1.542	1.542
Yen	102.00	101.525
FF	4.9565	4.9224

PAGE TWO
Whose Land Is the Kalahari?

THE AMERICAS — Page 3.
A Budget Gesture by Clinton

EUROPE — Page 5.
Strikes Cripple Belgian Transport

Opinion Page 8. *Crossword* Page 20.
Books Page 9. *Sports* Page 20.

KINSHASA, Zaire (Reuters) — A total of 139 people were killed when a Zairian passenger plane on a private charter flight crashed in northern Angola, Zaire's transportation minister said Tuesday.

"There were 139 people on board, plus five crew. There were only five survivors," said the minister, Alexis Thambwe Mwamba. The crash occurred late Monday.

Polish Security Issue

WARSAW (AP) — Three days before leaving office, President Lech Walesa summoned several high-ranking officials Tuesday to discuss unspecified documents that his office said concerned a threat to the country's security.

The meeting involved the speakers of both chambers of Parliament, the heads of the Supreme Court, the Constitutional Tribunal and the Supreme Administrative Court, as well as the interior minister.

The Food Fight At 30,000 Feet

The Associated Press

MINNEAPOLIS — Fifteen travelers were returned to London from the United States after a fight broke out during a Northwest Airlines flight, officials said.

Two others were being held by U.S. authorities until they sobered up, and a third was arrested on charges of interfering with the crew for allegedly trying to punch a flight attendant, officials said. All had British or Irish passports.

A spokeswoman for the airline, Marta Laughlin, said the travelers objected to having their drinking limited on the flight, which originated in London, made a scheduled stop in Minneapolis on Monday, then continued on to Los Angeles.

They began throwing food, yelling and swearing, she said. As the chaos escalated, members of the U.S. Olympic wrestling team on board the DC-10 reportedly helped subdue three "extremely intoxicated" men, who were handcuffed in their seats.

هكذا من الأصل

Pushed Aside for Cattle / **'First People of the Kalahari'**

'Whose Land Is This?' the Bushmen Ask

By Nora Boustany
Washington Post Service

John Hardbattle, born to a father from England and a mother from the Nhara tribe of the No'akwe, the "first people of the Kalahari" desert region, has always lived at one with nature. He climbed trees before he learned to walk, and ate resin from their trunks in times of drought.

His father, Tom, went to South Africa as a retired policeman and then wandered into Botswana, which in 1966 became a sovereign country bordering South Africa and Namibia. He fell in love with a beautiful singer named Kwai, whose melodious chants echoed through the valleys, inviting clans from miles away to join spiritual trance dances around her family fire.

"My first conscious memory is of people coming together to dance," he says. "I am not talking about hours but days. It is a healing and bonding experience bringing people together."

The women dance in an inner circle around a fire and the men surround them. Sometimes they cut through the flames. "You sleep, you wake up, you have the fire, which is central to our lives," he says.

Today, these gatherer-hunters who survived the sun-soaked desert for millennia are clinging to an existence somewhere between life and death. They have been driven out of their homelands into bleak settlements by new landowners and their own government to make room for grazing cattle. Mr. Hardbattle, 50, has become his people's representative, telling the story of their plight to the world.

His mission began when some elders of the No'akwe, also known as the Bushmen, sought his counsel in 1992: "They asked me a very simple question: 'Whose land is this?' "

They could not comprehend what was happening to them, he said. They chose Mr. Hardbattle as their spokesman because he has lived in their midst and in the West.

"As they told me, I can sit at the fire of my mother's people and get up and sit at the table of my father's people, since I am a man of two worlds," he says.

His mandate is "to open doors" for his people.

To that end, he traveled to the United States seeking assistance for projects that will bring basic services to his people and help improve their lives. Sponsored by the First Nations Development Institute, he visited Washington and New York recently and met with World Bank officials. He also spoke to the Ford Foundation and Summit, a conservation group.

At home, he is mobilizing his people by driving from settlement to settlement. "You cannot imagine how isolated we are," he said. "No telephones. Wherever I went, it was the same problems. There is nothing there. I don't know how they wake up in the morning."

The No'akwe cannot feed their children and are not allowed to hunt.

"We are not a people who hoarded or built villages or towns," he said. "We moved with the seasons — yes, we lived from nature. Our people have been stripped of all their rights and resources."

They only rarely get food assistance. The few girls who make it to secondary school and live in dormitories in the cities are often raped.

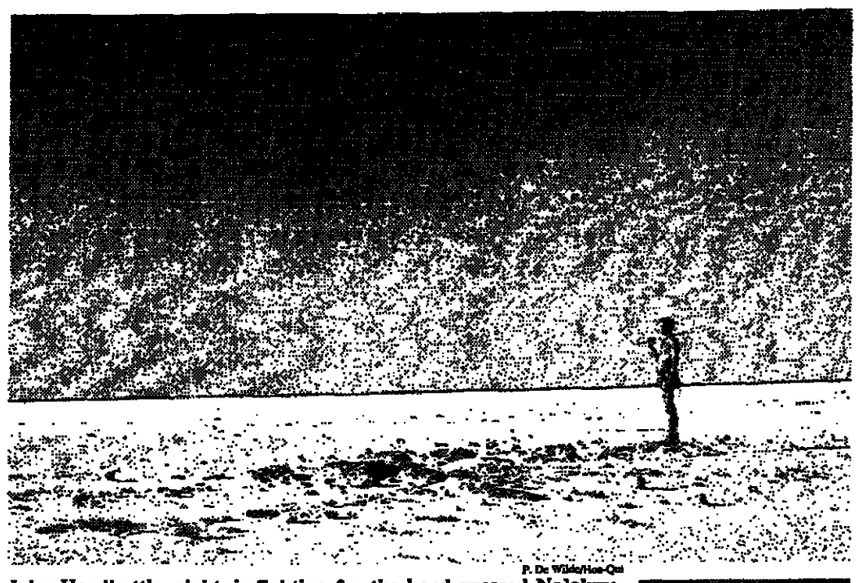
"Our people have been strangled," he said. "Our people have been dispossessed."

Last May, a team of Dutch researchers issued a study that has raised concerns about the fate of 600 Bushmen who left their settlements in search of food and have not been heard from since.

No'akwe poachers are often arrested and tortured by wildlife police, notes a University of Nebraska anthropologist, Robert K. Hitchcock, who says he talked to them and saw the scars.

When Mr. Hardbattle spoke out on the No'akwe's problems at a Botswana Society conference in the capital, Gabarone, three years ago, "it was like a bomb going off, and the government was not amused."

Summoned with other leaders to meet officials at police headquarters, he says a government official threatened, "We own you. Don't think that the donors will be here forever, and when these donors leave, it will be just you and us" — a reference to European relief agencies that have taken an interest in the No'akwe's plight.



P. De Wilde/Hoa-Qui

John Hardbattle, right, is fighting for the hard-pressed No'akwe.

"The government is afraid of him and they don't want him stirring things up," says Mr. Hitchcock, the anthropologist. "He is in a good position to do this. People will listen to him, there is a lot of positive feeling about him. He is unique, he speaks the language." Most words uttered by the No'akwe are produced with guttural clicking sounds.

Mr. Hardbattle learned to speak English at age 6, when, according to tradition, he moved into his father's house. After his father died eight years later, in 1959, Mr. Hardbattle, his brother and two sisters were sent to England. He lived with an aunt in Yorkshire, and his siblings were taken in by a cousin in Liverpool.

Their mother remained at home, their only link to Africa. He calls her fortitude and serenity the sources of his strength.

He was unhappy in England. At Christmas 1972, he was drawn back to Botswana and realized it was where he belonged.

"I took one look and I knew," he says of a journey through South Africa that took several days, three of them in a cattle car. He searched for his mother in Botswana but did not find her. He returned in 1975, found her and together they settled on property his father had bought. His is the only No'akwe family that owns its own land.

The lithe, graceful inhabitants of the Kalahari make up an egalitarian society based on sharing and a wisdom wedded to nature, according to Mr. Hitchcock. The region's ancient civilization used seeds, nuts, herbs, resin and roots as medicine, contraceptives, food and skin lotions. When animals abandon the grass in the thirstlands of the desert, the Bushmen endure by digging up bulbs to eat and by squeezing moisture from vegetable skins. Children lick dew from leaves laid out overnight. The No'akwe have their own code of civility and etiquette.

In this culture, people consider animals equals and men kneel after hunting down a wildebeest to apologize. To this day, they do not go after game with guns but use a small bow and arrows dipped in a tranquilizing potion.

To make room for cattle and huge fenced areas for their protection, the No'akwe have been forced into settlements where they have been provided with little except schools and the odd water tap, one for each 500 people. Botswana's constitution does not recognize the 50,000 bush dwellers among its eight official tribes. In a state that calls itself democratic and is among Africa's richest, these foragers have been cast adrift into an unfamiliar wilderness where nothing grows for miles.

Mark Finkenstaedt/The Washington Post

When white farmers started raising cattle on their land, the competition for resources began. After Botswana gained independence from Britain in 1966, there was a proliferation of cattle farmers, white and black. The native people are red people.

An agreement with the European Union in 1972, known as the beef protocol, allowed Botswana to sell cattle at the highest world prices. Livestock ownership became not only lucrative but a status symbol, and the cattle population grew to several million.

British documents from 1895 on the establishment of white farm colonies there described Botswana in these words: "Very nice and suitable for white people to live, there is a lot of game there, shallow water is to be had by digging wells and it is very good for the establishment of cattle farms."

"Then it goes on to say there are no natives there except a few wild bushmen," Mr. Hardbattle comments.

"So even from the perspective of the English, we as a people didn't exist."

Mr. Hardbattle refuses to call himself a leader. "I am not promoting myself as a leader," he says. "It is not like here when you tell people vote for me and I will set you free. It is more complicated. What has happened to our viable culture? Now they can give them food, and when they take it away, our people have nothing. What else can they do to our people? Just put a gun to their heads.

"This is my mission, my whole life. It is all that I have known, all that I believe in. If I have any ambition, it is that my people should live."

COMING UP

California, a crucial piston for the economy of the United States, is tasting strong recovery after years of recession, thanks to a jobs explosion in three key sectors. The state's governor now boasts: "California is back!"

U.S. Angered by Bonn's Plan To Stop Support for UN in Iraq

By R. Jeffrey Smith
Washington Post Service

WASHINGTON — The German government has angered the Clinton administration and the United Nations by deciding to cut its logistical support to the UN Special Commission on Iraq, the group charged with ferreting out evidence of any illicit Iraqi work on weapons of mass destruction, according to American and UN officials.

Both Defense Secretary William J. Perry and Secretary of State Warren M. Christopher have complained to their German counterparts about the decision, which some U.S. officials said could undermine U.S. support for giving Germany a permanent seat on the UN Security Council.

Germany has told the United Nations that it will no longer fly three CH-53 helicopters from a base near Baghdad so that UN inspectors can make high-resolution aerial photographs inside Iraq and make surprise visits to suspected weapons facilities. More than a thousand such helicopter flights have been conducted since 1992.

Germany has also said it will no longer fly two C-160 cargo aircraft to ferry UN monitoring equipment and personnel in and out of Iraq from a base in Bahrain, citing in cases what it calls the mounting costs and growing mechanical challenge of keeping the aircraft operating in a harsh desert climate.

A UN official said the German Foreign Ministry continued to support the operation but had lost a battle with the Defense Ministry, which says it has spent around $100 million to keep the five planes in operation. A German defense official in Washington said of Bonn's decision that "it is mainly a question of money and spare parts."

"Definitely, it is not for political reasons," he said.

The German Defense Ministry initially sought to end the flights by Jan. 1, but recently said it would continue a reduced flight schedule for an unspecified transition period while the commission tries to get another country to provide similar assistance, a ministry spokesman said in Bonn.

But so far, all nine of the other members of the West European Union have spurned the task and no other country has expressed a willingness to take it on.

American officials said they were now worried that a vital UN capability could disappear at a moment when the commission suspects Iraq is continuing to hide some illicit medium-range missiles and as many as several hundred warheads containing deadly chemical and biological warheads.

The commission told the Security Council in a report last Friday that Iraq was continuing to withhold information and make misleading statements about these programs. But the United Nations has been under growing pressure from officials in several Arab governments, including Saudi Arabia and Qatar, to lift trade sanctions imposed by the council to force Iraqi cooperation with the commission.

Russia and France have been at the forefront of industrialized countries urging that the sanctions be lifted soon. Germany has not joined in this public appeal, although German companies had extensive dealings with Iraq before the war and are said by some officials to be eager to renew sales there.

In the report, the commission chairman Rolf Ekeus called Germany's air support "invaluable" and "an essential part" of long-term UN monitoring inside Iraq.

A senior U.S. official said that Mr. Perry had written to the German defense minister, Volker Rühe, several times to complain vigorously about Germany's plan but that Mr. Rühe had rebuffed the appeal.

Referring to what he called "the enormity of Germany's involvement in Iraq's weapons of mass destruction program — it built their chemical weapons program and helped Iraq improve its ballistic missiles," the U.S. official added that "for Germany to shirk its responsibility now raises serious questions for us about Germany's request to be a permanent member of the Security Council."

Other U.S. officials, however, said Washington was not formally linking its backing for Germany's permanent seat on the council to the flight operations.

■ Iraqi Official in Paris

Iraq's deputy prime minister, Tariq Aziz, who is pressing the international community to lift sanctions against Iraq, is in Paris to meet with French officials, a Foreign Ministry spokesman confirmed Tuesday in Paris, The Associated Press reported.

The spokesman said Mr. Aziz was to have lunch with Foreign Minister Hervé de Charette on Wednesday and to meet with Prime Minister Alain Juppé on Wednesday night.

Defendant Is Scornful Of Rabin

By Barton Gellman
Washington Post Service

JERUSALEM — The trial of Yitzhak Rabin's acknowledged assassin began Tuesday with a renewed demonstration of the young man's disdain for the late prime minister and the legal proceedings aimed at bringing him to account.

Yigal Amir, the 25-year-old extremist who said he killed Mr. Rabin because the prime minister had betrayed his people and God's holy land, vamped for spectators during a brief first day of trial.

He grinned at times as the charge sheet was read, showing particular mirth at a description of his aborted plan to inject explosives into the plumbing of Mr. Rabin's Tel Aviv apartment.

Mr. Amir shrugged and shook his head in the negative when the chief judge spoke of sorrow at Mr. Rabin's death.

His performance made for an ugly juxtaposition with the only known footage of Mr. Rabin's Nov. 4 assassination, broadcast Tuesday for the first time on television. The amateur videotape, recorded from a nearby rooftop and sold this week for more than $390,000, depicts parts of Mr. Amir's long wait in ambush near Mr. Rabin's car and the few swift strides that placed him, gun in hand, within arm's length of the prime minister's back.

In court Tuesday, Mr. Amir was not required to enter a plea. A three-judge panel granted a defense request to postpone the bulk of the trial until Jan. 23.

Mr. Amir, dressed in black pants and white shirt, arrived in the courtroom chewing gum. He smiled and drew a hand across his throat, signaling his expectations for the day. Mr. Amir's maximum sentence, and likely fate, is life in prison.

TRAVEL UPDATE

French Transport Nearly Restored

PARIS (Reuters) — French public transport services continued to pick up Tuesday after three weeks of public-sector strikes caused largely by government plans to reform the indebted welfare system.

Travel was free again for all commuters in the Paris region, helping cut giant traffic jams into the capital during the rush hour. For the first time in three weeks, backed-up traffic into Paris totaled less than 100 kilometers.

The Métro was running normally, except on one of its 13 lines, because of a picket of die-hard strikers. Workers have been returning to work gradually since compromises by the government last week helped defuse the conflict.

The state railroad SNCF said that about half of all trains were running on main lines, with a marginally better rate for high-speed TGV trains. The Paris-London link was running normally through the Channel Tunnel. The SNCF said that in northern France, high-speed trains were running as usual except for Paris-Brussels, disrupted by a strike by Belgian rail workers.

Striking French garbagemen in the city of Bordeaux, where Prime Minister Alain Juppé serves as mayor, voted to go back to work and begin cleaning up a 16-day accumulation of stinking refuse. But bus drivers voted to extend their stoppage for another day.

Air Turbulence Sends 43 to Hospital

LAS PALMAS, Canary Islands (Reuters) — A total of 43 passengers were taken to the hospital here suffering from bruises and shock on Tuesday after their VIASA flight from Venezuela to Rome was buffeted by turbulence over the Atlantic, an airport official said.

The Venezolana de Aviación DC-10 with 154 people on board made an emergency landing at Las Palmas so the injured could be treated. Several passengers refused to get back on the plane, and it resumed its journey to Rome with 24 fewer people on board, a Las Palmas airport spokesman said. Six people were kept in the hospital.

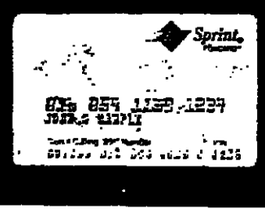
India signed an aviation agreement with Denmark, Norway and Sweden to open direct air links between New Delhi and Bombay and the Scandanavian capitals, officials said. The agreement was signed by the ambassadors of Denmark, Norway and Sweden and an official from India's Ministry of Civil Aviation, they said. Under the agreement, Air India will begin flights to Copenhagen, Oslo and Stockholm while Scandanavian Air Systems will start flying to Bombay and New Delhi. *(AFP)*

TO OUR READERS IN HOLLAND
It's never been easier to subscribe.
for more information just call
020 673 0757

just ask the butler...
Sheraton Towers
Where service is anything you want it to be.
S·I·N·G·A·P·O·R·E

Van Cleef & Arpels 22 Place Vendôme PARIS Tél. 42 61 58 58 - 31 Rue du Rhône GENEVE Tél. 311 60 70
Harrods Knightsbridge, Fine Jewellery Room LONDRES Tél. 225 65 20

A SIMPLE
CURE FOR THE FEAR OF
FOREIGN PHONES.



To call, just dial the Access Number for the country you're visiting, and you'll reach an English-speaking Sprint Operator. It's that easy.

COUNTRIES	ACCESS NUMBERS	COUNTRIES	ACCESS NUMBERS	COUNTRIES	ACCESS NUMBERS	COUNTRIES	ACCESS NUMBERS	COUNTRIES	ACCESS NUMBERS
American Samoa	633-1000	Colombia	980-130-010	Indonesia (Satellite)	008-801-15	New Zealand (Country calls) Δ	013-0-[illegible]	Switzerland +	155-0177
Antigua Ω (restricted green)	462	Costa Rica +	0800-0013-0123	Ireland +	1-800-55-2001	New Zealand	000-999	Syria +	0888
Antigua Ω (pay phones)	1-800-366-4663	Croatia +✓	99-385-0113	Israel +	177-102-2727	Nicaragua (Managua)	171	Taiwan	0080-14-0877
Argentina	00-1-800-777-1111	Cyprus ✓	080-900-01	Italy +	172-1877	Norway +	800-19877	Thailand ✓	001-999-13-877
Armenia	8-10-155	Czech Republic +✓	0042-087-187	Jamaica (hotels)	875	Panama	115	Turkey +	00-800-1-0877
Aruba Ω	800-8670	Denmark +	800-1-0877	Jamaica (airports, docks)	5	Peru ✓	176	U.S. Virgin Islands	1-800-877-8000
Australia (Telstra) +	1-800-5311-10	Dominican Republic Δ	1166+77	Jamaica (all other)	0800-877-8000	Philippines (Eliminate extra step) ✓	105-01	U.S.A.	1-800-877-8000
Australia (Telecom) +	1-800-881-877	Ecuador ✓	999-171	Japan (IDC) +	0066-55-877	Philippines (PhilCom) Δ	102-611	Ukraine	8-100-15
Austria	0222-903-014	Egypt (Cairo) +	356-4777	Japan (KDD) +	0039-121	Philippines (PLDT)	105-16	United Arab Emirates +	800-131
Bahamas +	1-800-389-2111	El Salvador	800-1776	Jordan	18-800-777	Poland +	00104-800-115	United Kingdom (BT)	0800-89-0877
Bahrain	800-777	Fiji Islands	004-800-100-3	Kenya ✓	0800-12	Portugal +	05017-1-877	United Kingdom (Mercury)	0500-89-0877
Barbados Δ	1-800-877-8000	Finland +	9800-1-0284	Korea ‡	550-FONE	Puerto Rico	1-800-877-8000	Vatican City +	172-1877
Belgium +	0800-10014	France +	19◆0087	Korea (Dacom) +	0039-13	Romania +	01-800-0877	Venezuela	800-11110
Belize (hotels)	556	Germany +	0130-0013	Korea (IDC) ◆◆	009-16	Russia (Moscow) +	155-6133	Vietnam (selling centers)	1201-1111
Belize	812	Greece +	008-001-411	Liechtenstein +	155-0177	Russia (all other) +	8095-155-6133		
Bermuda ✓	1-800-623-0877	Guam	950-1266	Lithuania ✓	8◆197	Saipan	235-0332		
Bolivia	0800-3333	Guatemala +	195	Luxembourg	0800-0115	Saipan (Tinian and Rota) +	1-235-0332		
Brazil	000-8016	Honduras Δ	121	Macao	0800-121	San Marino +	172-1877		
British Virgin Islands Δ	1-800-877-8000	Hong Kong	800-1877	Malaysia +	800-0016	Saudi Arabia	1800-15		
Bulgaria Δ	00-800-1010	Hong Kong Δ	011	Mexico +	95-800-877-8000	Singapore +	8000-177-177		
Canada	1-800-877-8000	Hungary +✓	00◆800-01-877	Monaco +	19◆0087	Slovak Republic +✓	0042-087-187		
Cayman Islands	1-800-365-4663	Iceland +	800-9003	Netherlands +	06-022-9119	South Africa +	0-800-99-0001		
Chile	00◆0317	India +	000-127	Netherlands Antilles (Curacao & Bonaire) +	001-800-745-1111	Spain	900-99-0013		
China +✓	108-13	Indonesia (Indosat)	001-801-15			Sweden +	020-799-011		

Certain restrictions apply where Sprint is not the country calling is available. Listing subject to change. For Customer Service call the Sprint Access Number of the country you're in or 1-800-877-4646 while in the U.S. Non-bolded countries allow calls to the U.S. only. Bold denotes countries where calling availability. Calls to Singapore and Thailand not allowed. ◆ FONCARD billing only. Use Global Calling 99-1 number & PIN. Global Calling rates apply. ◆ Wait for second tone. + Public phones may require coin or card. ✓ Available at most phones. Δ Not available from all phones. ◆◆ Wait for tone. Dial 0088 [illegible]. ‡ Available at military phones only. Ω Available from airports seaport only. © 1995 Sprint

Sprint.
To order a free FONCARD
CALL COLLECT TO THE U.S.
212-248-0295

Imprimé par Offprint, 3 rue de l'Evangile, 75018 Paris.

THE AMERICAS

Clinton Sits Down With Budget Foes

Reuters

WASHINGTON — President Bill Clinton on Tuesday met Republican congressional leaders in an effort to resolve the budget crisis that partially shut the government for the second time in a month and rattled financial markets.

Mr. Clinton said he hoped the White House meeting with the Senate majority leader, Bob Dole of Kansas, and the speaker of the House, Newt Gingrich of Georgia, would help settle the budget crisis and end a partial government shutdown that has idled 250,000 federal workers.

"Only the Congress can shut the government down and only the Congress can reopen it," Mr. Clinton said after he vetoed a spending bill for the Departments of State, Justice and Commerce because it would eliminate funds earmarked for hiring 100,000 more police officers.

"It's just wrong for the federal employees and even more for the American people to have the government closed the week before Christmas," Mr. Clinton said.

It was the first face-to-face talks between Mr. Clinton, Mr. Dole and Mr. Gingrich since the budget crisis began last month.

"The president wants to get the government open and he wants to balance the budget and there doesn't appear to be any way toward those goals without a face-to-face discussion," said the White House spokesman, Michael McCurry.

After the meeting with the two Republican leaders, Mr. Clinton was to meet the Democratic leader of the Senate, Thomas A. Daschle, and the House minority leader, Richard A. Gephardt.

Mr. Gingrich and Mr. Dole had asked to meet Mr. Clinton to discuss, they said, "fulfillment of the commitment he made 29 days ago to enact a seven-year balanced budget using nonpartisan Congressional Budget Office estimates."

On Monday, Mr. Clinton told the two leaders by telephone that he was willing to offer a budget plan using the more conservative budget-office economic estimates if the Republicans would accept his position and sharply reduce their proposed cuts in spending on the Medicare and Medicaid health programs for the elderly and poor.

The other alternative offered by Mr. Clinton was for the three leaders to meet with no strings attached.

Mr. Clinton has been urging the Republican-led Congress to work with him on a compromise to reopen the government and balance the budget in seven years. He used a lobbying reform bill he signed into law on Tuesday to show what the two political parties can do when they work together.

"On this matter, Democrats and Republicans acted together to put the public interest above partisanship and they faced withering pressure to do otherwise," he said.

Shortly before the start of talks with Republican leaders, Mr. Clinton sought to reassure financial markets about the efforts to reduce the deficit.

"The deficit will keep coming down, regardless," he said.

But in Congress, the chairman of the Senate Budget Committee, Pete V. Domenici, said it would be very difficult to reach any quick agreement on a seven-year balanced budget.

Visa Services Suspended

The Associated Press

WASHINGTON — The State Department spokesman, Nicholas Burns, said visa-issuing services were being suspended at U.S. embassies worldwide because of the budget impasse between President Bill Clinton and congressional Republicans.

Exceptions will be made for people who need to go to the United States "for compelling cases of life or death emergencies, or family or medical emergencies."

Doug Mills/The Associated Press

A "Closed" sign carried outside the National Gallery as Republican congressmen protested the budget standoff.

Some Hillary Clinton Papers Missing in Whitewater Inquiry

By Stephen Labaton
New York Times Service

WASHINGTON — Documents describing Hillary Rodham Clinton's work for a failing savings and loan vanished from her former law firm in Little Rock sometime before President Bill Clinton took office, according to the Senate Whitewater panel.

Republicans on the committee said the missing papers were crucial to understanding the role Mrs. Clinton played during the 1980s, when her firm represented the failing savings and loan association, Madison Guaranty, before regulators appointed by her husband, then governor.

The missing documents include billing records from the Rose Law Firm, where she was a partner, and time sheets prepared in the 1980s that describe what Mrs. Clinton did for Madison.

Mrs. Clinton's ties to Madison are an expanding focus of the Whitewater investigations by the Senate committee and the independent counsel, Kenneth W. Starr, according to investigators and witnesses who have spoken with members of Mr. Starr's staff.

The new direction of the probe has grown out of investigators' efforts to determine whether there was anything improper in the relationship between the Clintons and the owner of Madison, James B. McDougal, in the mid-1980s as he struggled to keep the savings and loan association afloat before it failed at a cost to taxpayers of $60 million. Mr. McDougal was the Clintons' partner in Whitewater.

Evidence of the missing records emerged when the Whitewater committee released notes taken in 1992 by Susan Thomases, a lawyer who is one of the Clintons' closest advisers, as she drew up a strategy for answering questions about Mrs. Clinton's ties to Madison, before the first newspaper article on Whitewater had appeared.

A reference to the missing records appeared in her notes of a Feb. 24, 1992, conversation between Ms. Thomases and Webster L. Hubbell, a former law partner of Mrs. Clinton at the Rose firm.

"We've looked high and low for these records, and we can't find them," Michael Chertoff, chief counsel to the Republicans on the Senate Whitewater committee, said. "We don't have any time sheets for Mrs. Clinton; they have disappeared."

In the notes, Mr. Hubbell gives an account of Mrs. Clinton's role based on the records that have since vanished. Ms. Thomases writes that, according to time records, Mrs. Clinton had "numerous" conferences with Madison executives and an associate at the law firm about two issues pending in the mid-1980s before state regulators appointed by Mr. Clinton.

Ms. Thomases' notes show that from the earliest days of the presidential campaign, Clinton aides struggled to put some distance between Mrs. Clinton and the work the Rose firm did for Madison before state regulators in 1985. But what she did for Madison is still being examined.

Mrs. Clinton has said she played a "very limited" role in representing the association's interests before state regulators. The Clintons' personal lawyer, David E. Kendall, also said that her work for Madison was "by any standard, very limited."

The new information about Mrs. Clinton's work for Madison was contained in two pages of notes made public by the Senate committee. These notes, combined with other documents disclosed by congressional and federal investigators in recent months, bear on the account she has given of her work for Madison.

The law firm's remaining records, for instance, show that more than one-third of the fees charged to Madison were attributed to her work. These records, which were released by savings and loans regulators, are vague as to specifics.

POLITICAL NOTES

A Long Road for Waldholtz

WASHINGTON — The federal investigation into the campaign and personal finances of Representative Enid Waldholtz, Republican of Utah, and her husband, Joseph, could take as long as a year, according to a source familiar with the inquiry.

The FBI is looking into allegations of check kiting, illegal campaign financing and the filing of fraudulent financial disclosure and election reports with Congress and the Federal Election Commission, the source said.

Mrs. Waldholtz said last week that she had not decided whether to seek re-election next year. But the prospect of a lengthy grand jury inquiry stretching into 1996 could make a re-election bid more difficult.

A poll published Sunday by the Salt Lake Tribune of voters in her district found that 69 percent did not believe Mrs. Waldholtz should run again and 60 percent would vote against her if she did.

The source cautioned against expecting any possible deal in the immediate future with her husband, whose attorney had hinted that a deal might be worked out to get his client to testify against his estranged wife.

The federal grand jury investigation began in November after allegations surfaced that Mr. Waldholtz had kited checks, using bank accounts that he and his wife maintained in Washington and Utah. Although Mrs. Waldholtz initially denied the allegations, she changed her position after her husband disappeared on Nov. 11. *(WP)*

'Secret Seven' Loses a Pair

MINNEAPOLIS — Senator Bill Bradley of New Jersey and Governor Angus King of Maine have distanced themselves from the policies of a group of centrist politicians who appear unlikely to field a presidential candidate.

"My participation was never about a candidacy, or a desire to create a third party, despite press coverage to the contrary," Mr. Bradley said in a statement from Washington.

Mr. King said he was dropping out of the discussions because they were taking too much of his time.

At a Minneapolis symposium, a former presidential candidate, Paul Tsongas, a former Colorado governor, Dick Lamm, and a former Minnesota congressman, Timothy J. Penny, were outlining the basic principles of the informal group, dubbed the "Secret Seven" even though the number of participants has frequently shifted.

Those principles included making a balanced budget a top government priority. Originally, group members met secretly via teleconference to discuss political issues.

"For me, the rising economic security of people who work every day and worry about their future is the most pressing issue our country faces," Mr. Bradley's statement said. "The balanced budget is important, but it is only a part of a larger set of challenges."

Mr. Tsongas, a former Massachusetts senator who ran unsuccessfully for the 1992 Democratic presidential nomination, has said the group represented a "passionate center" that is fiscally conservative, socially tolerant, pro-environment and angered by the slow pace of campaign-finance reform.

"We're not here to form an independent party or field an independent candidate," Mr. Penny said. "Our first goal is to challenge one or both of the major parties to move to the center."

Neither Mr. Bradley nor Mr. King signed on to the group's basic principles, which included making children the focus of policies, calling the current Social Security system unsustainable, calling for political reform as well as racial and gender reconciliation and protecting the environment.

All of the group's members were Democrats or independents. *(AP)*

Quote/Unquote

Malcolm S. Forbes, the publisher turned candidate for the Republican presidential nomination, remarking on Senator Bob Dole's new position on abortion: "What issue hasn't Dole shifted on?" *(NYT)*

Préval Wins in Haiti Amid Voter Apathy

Blow to Young Democracy

The Associated Press

PORT-AU-PRINCE, Haiti — Haiti's president-elect has remained in seclusion despite unofficial results that show he overwhelmingly won an election that most Haitians ignored.

At least 70 percent of voters turned their backs on Haiti's fledgling democratic process, a blow to René Préval, the new leader, and a U.S. administration that sent troops to Haiti under "Operation Uphold Democracy."

The voting Sunday followed a lackluster campaign overshadowed by President Jean-Bertrand Aristide. Many Haitians want the popular leader to remain in power, although the constitution bars him from seeking another term.

"Préval is our president! With Aristide for his adviser!" declared about 500 people dancing through central Port-au-Prince Sunday night.

Their comments put Mr. Préval squarely where he has stood throughout the election campaign — in the shadow of Haiti's popular president. He welcomed that position while it brought in the votes he needed, but he is unlikely to want to remain there after reports of a rift between the two former friends over Mr. Aristide's reluctance to surrender power.

Mr. Aristide has said he will return to being "the voice of the voiceless."

In the past, that meant rousing people into the streets to oust an unpopular government.

At least three out of four voters chose Mr. Préval, said an official of the Organization of American States. But less than one-third of Haitians bothered to vote.

"Yesterday was a crucial milestone in Haiti's progress toward an enduring democratic order," the White House delegation said in a statement read by Brian Atwood, head of the U.S. Agency for International Development.

"Although voter turnout was apparently low, human rights were respected throughout the campaign," Mr. Atwood said. "There was no attempt by any segment of society to prevent people from voting or to subvert the exercise of free political choice."

AMERICAN TOPICS

Texas Businesses Ponder Gun Detectors

Starting Jan. 1, Texans with permits will be allowed to carry concealed weapons, and businesses are having trouble deciding whether to ban guns from their premises and, if so, how.

Some are considering metal detectors. Others, seeing this as unfriendly to potential customers, will post a simple sign showing a gun in a circle with a red slash through it. Nobody has announced plans to frisk people, the Fort Worth Star-Telegram reports.

The law allows Texans to receive a handgun permit after completing classroom and gun-range training.

Many businesses are looking to Florida, which has permitted concealed weapons for the last eight years. Businesses there have contented themselves mostly with signs, seldom with metal detectors.

Even with a permit, Texans will be prohibited from carrying concealed weapons into such places as bars, schools, hospitals, sporting events, or businesses posting signs that guns are banned.

Jeff Davis, president of the Safeco Land Title insurance company in Fort Worth, says: "We just don't feel it's appropriate to have customers, clients, with handguns on the premises. Guns shouldn't be present with final negotiations going on."

Short Takes

A cultural exchange program enabling young foreigners to work as live-in baby sitters in the United States has won final congressional approval for a two-year extension, to September 1997. The "au pair" program attracts up to 13,000 young people, mostly European women, annually to the United States. The U.S. Information Agency oversees the program. Private agencies match families and candidates. The visiting nannies are paid $115 weekly plus food and lodging, $15 more than last year.

Schocken Books, a division of Random House, has published Volume 1 of the Schocken Bible, "The Five Books of Moses," a new translation by Everett Fox. It is meant to reflect the poetry of the original language and to emphasize that it was written to be read aloud. "This translation redefines the Bible as a book written in Hebrew," said Arthur Samuelson, Schocken editorial director. "Hebrew has its own pace, its own way of making poetry, which is much different from that of English. Most translations make the Bible sound as though it were written by Shakespeare or else that it was written yesterday. But this makes it sound like something closer to an ancient Near Eastern document."

As lumber prices rise and timber quality falls, American steel mills are moving into housing construction. Although long used for skyscrapers and bridges, steel is used in the framework of only 1 percent of U.S. dwellings, said Gopal Ahluwalia, research director for the National Association of Homebuilders in Washington. But, he said, jumps in the price of lumber in 1993-94 increased builders' interest in galvanized steel, which is more durable, stronger, more precisely machined and easier to assemble than wood. It's also fireproof and impervious to pests.

International Herald Tribune

Dole Attacked for Easing Abortion View

By Katharine Q. Seelye
New York Times Service

WASHINGTON — Senator Bob Dole's statement that he would no longer support an unconditional ban on abortion has prompted a wave of anger from the Republican right and escalated an already fierce ideological war in the party.

It has also given Mr. Dole's Republican rivals an opportunity to accuse him of sacrificing principle for political expedience.

"What issue hasn't Dole shifted on?" asked Malcolm S. Forbes, one competitor for the Republican presidential nomination.

On Sunday, Mr. Dole, the leading candidate for the nomination, said on NBC-TV that while he at one time supported a constitutional amendment to ban abortion, "I would not do it again." He called himself "pro-life," but said he would make exceptions to save the mother's life or in cases of rape or incest.

The Republican Party is already embroiled in an abortion battle that is expected to be played out in public on the floor of its nominating convention next summer.

Since 1980, the national Republican Party platform has opposed abortion without exceptions and promoted a constitutional amendment to ban the procedure.

But for the coming campaign, the first since 1980 in which Republicans do not control the White House and therefore have no single candidate who can dictate the platform, the political right has been arguing to keep the ban while others want to moderate its language to try to broaden support for the party.

The timing of Mr. Dole's remarks on such an explosive topic puzzled several Republicans. Some speculated that he was beginning his long-expected march to the ideological center, since he appeared to have the nomination locked up.

Some said he was just responding to a question; others said the question might have been prompted by the debate reflected by the cover story in the most recent issue of The Weekly Standard. The article, by Noemie Emery, suggests that Republicans could win more votes by moderating their anti-abortion platform language.

"His campaign wishes it hadn't come up now," said William Kristol, the magazine's editor. "They wanted a safe, front-runner campaign for now, they wanted him to avoid controversy, get the nomination wrapped up, and then they were going to confront the issue of abortion in the platform. But Dole was asked a question and he gave an honest answer."

Mr. Kristol said Mr. Dole's response to the uproar could prove significant. "The conventional political advice will be to back off," he said, "that he can revisit the issue after he gets the nomination. But the bolder thing for him to do is to forge ahead, make it clear that he wasn't just stumbling, and try to articulate a position that acknowledges that the human life amendment was untenable and a disservice to the pro-life cause."

Away From Politics

• **A powerful bomb in a 30-gallon drum** was found in a parking lot outside an Internal Revenue Service office in Reno, Nevada. Its fuse had been lit, but it fizzled out before the bomb could do damage. About 60 people were evacuated. *(AP)*

• **A convenience store clerk faces murder charges** after he was accused of chasing down and shooting to death a 15-year-old who stole beer from the store in Omaha, Nebraska. The store had been robbed in the past and the owner kept a .38-caliber revolver under the cash register, telling his workers it was for their protection. *(AP)*

• **Three men suspected of plotting to invade Cuba** were arrested and a stockpile of assault rifles and other military equipment was seized from a Los Angeles business, the FBI announced. Federal agents removed more than two truckloads of weapons and equipment, including assault rifles, body armor and radio equipment from the warehouse and office of a dealer of heavy industrial equipment. *(LAT)*

• **A probation department report** will recommend that the former treasurer of Orange County, California, Robert L. Citron, be spared a term in state prison for six felony convictions and be sentenced to a year or less in county jail and probation, Superior Court Judge David O. Carter was told. But Mr. Citron's attorney, David W. Wiechert, informed the judge that the district attorney's office planned to argue for a stiffer sentence. *(LAT)*

• **The first person in Canada convicted of assisting a suicide** received a suspended sentence for helping her best friend die. Mary Jane Fogarty, 39, of Halifax, Nova Scotia, was charged after her friend, Brenda Barnes, 36, who was depressed, died in May 1994 of an insulin overdose. Ms. Fogarty is diabetic. *(AP)*

Ross Thomas, Thriller Writer, Dies

New York Times Service

NEW YORK — Ross Thomas, 69, the author of the political thrillers "Chinaman's Chance," "The Cold War Swap" and "Briarpatch," died Monday at St. John's Hospital in Santa Monica, California.

The cause was lung cancer, said his wife, Rosalie.

Mr. Thomas, who also wrote under the pseudonym Oliver Bleeck, won critical praise for his stylish, well-told suspense novels enlivened with a dash of wit.

The writer Stephen King, noting Mr. Ross's gift for character and witty dialogue, once called him "the Jane Austen of the political espionage story." Other critics placed him in the hard-boiled tradition of Raymond Chandler and Dashiell Hammett.

Mr. Thomas wrote bleak tales of political corruption, and behind-the-scenes scheming. "I do use the fact that I've been in the back rooms where the deals are being cut," he once told an interviewer. "If there's a trace of cynicism in my books, it's only based on reality."

"Briarpatch" won an Edgar Award as the best mystery novel of 1985. His most recent novel was "Ah, Treachery!" (1994).

Nina Verchinina, 85, Classic-Modern Dancer

NEW YORK — Nina Verchinina, 85, a Russian-born dancer who was one of the first classically trained ballerinas to be influenced by modern dance, died Saturday at her home in Rio de Janeiro.

Miss Verchinina was born in Moscow and brought up in Shanghai and Paris.

Van Cleef & Arpels

PARIS, GENEVE, BRUXELLES, CANNES, MONTE CARLO, MILANO, ROMA, BEVERLY HILLS, HONOLULU, NEW YORK, PALM BEACH, OSAKA, TOKYO, HONG KONG, SEOUL, SINGAPORE

هكذا من الأصل

Visiting Tokyo Aide Chastised by China

Beijing Presses War Issue

Compiled by Our Staff From Dispatches

BEIJING — China sternly reminded the Japanese foreign minister Tuesday of the need for Japan to face responsibility for its wartime aggression.

Foreign Minister Qian Qichen of China reiterated to Foreign Minister Yohei Kono of Japan China's belief that awareness of the past was the key to unlocking a better future, China's Xinhua news agency reported.

"We hold that a correct summary of history and drawing lessons from history are aimed at better exploring the long-term future of bilateral friendship," Mr. Qian was quoted as saying.

"We hope the Japanese government can fully recognize the importance and sensitiveness of the historical issue, and treat properly questions in this regard," he said.

Mr. Kono, in Beijing on a three-day visit, underscored Tokyo's commitment to view the country's wartime past in a "correct manner" and emphasized the importance of maintaining good ties, according to the Chinese Foreign Ministry spokesman, Chen Jian.

"The development of relations between Japan and China is the highest purpose of Japan's foreign policy," Mr. Kono said.

His comments followed speeches Monday by Prime Minister Tomiichi Murayama and Emperor Akihito to mark the 50th anniversary of the formal end of World War II in August 1945. They voiced regret, but sidestepped any reference to Japanese guilt over the conflict.

Japanese militarism remains a sensitive issue in many Asian nations, particularly in the light of repeated comments in recent years by senior Japanese officials defending the country's activities during the war.

The two foreign ministers also discussed the issue of Japanese chemical weapons abandoned in China after the war, with Mr. Kono pledging to cope with the matter "in a spirit of maintaining very good relations" with Beijing.

There are an estimated 2 million tons of such munitions. Mr. Kono said Japan would begin a detailed survey in mid-1996 to gain a more accurate picture.

Mr. Kono also reiterated Japan's calls for China to refrain from nuclear tests.

He reaffirmed the Japanese government's suspension this year of grants in protest at China's nuclear program, saying resumption of the aid would not win "the understanding of the Japanese people."

In Tokyo, earlier, Ichiro Ozawa, a Japanese opposition leader, accused China and South Korea of fanning anti-Japanese sentiment through education.

"There is no future in our relations unless they stop their anti-Japanese education, purely based on political intentions," Mr. Ozawa said, according to Tuesday's Nihon Keizai newspaper.

Mr. Ozawa, secretary-general of the main opposition New Frontier Party, is currently campaigning for the party leadership, which would make him a candidate to be Japan's next prime minister.

"With their explicit anti-Japanese education, which constantly reminds people not to forget Japan's hateful past, only hatred remains in their minds," Mr. Ozawa reportedly said.

Mr. Ozawa's office said no text of his comments was available, but in a television appearance Mr. Ozawa confirmed the gist of the reported remarks while stressing that it was also important for Japan to acknowledge its responsibility for World War II. *(AFP, AP)*

China Calls Reporter 'Negative,' Expels Him

Compiled by Our Staff From Dispatches

BEIJING — The Chinese government accused a German reporter on Tuesday of "negatively influencing German public opinion about China" and ordered him to leave the country.

When asked by the German government to relent, Chinese authorities ignored the request.

They acted against Henrik Bork, the Beijing bureau chief for the Frankfurter Rundschau, by refusing to renew his credentials, which expire Dec. 28. Without them he cannot legally remain in China. Foreign journalists must apply annually to renew their press card.

The German foreign minister, Klaus Kinkel, who tried to persuade China to reverse the decision, said in Bonn that Mr. Bork was being expelled "for his critical reporting."

Mr. Kinkel said he "deplored" the Chinese action.

He said that immediately after learning of it, he personally intervened with the Chinese foreign minister, Qian Qichen, to seek a review of it "for the sake of what is to us the indispensable freedom of the press."

Mr. Kinkel also summoned the Chinese ambassador in Bonn to the Foreign Ministry to make his position clear.

Mr. Bork is the seventh Beijing-based foreign correspondent to be ordered out of the country since 1986. The last expulsion was of Andrew Higgins, of the British newspaper The Independent, in 1991. He had reported on a secret document.

The ruling Communist Party has long made clear that it considers most foreign journalists enemies of its ideology. Reporters are routinely followed when they meet Chinese contacts and must get government permission if they want to leave the capital for reporting.

Mr. Bork, 34, has reported from China for various European publications for four years. He speaks Chinese fluently and previously studied in China.

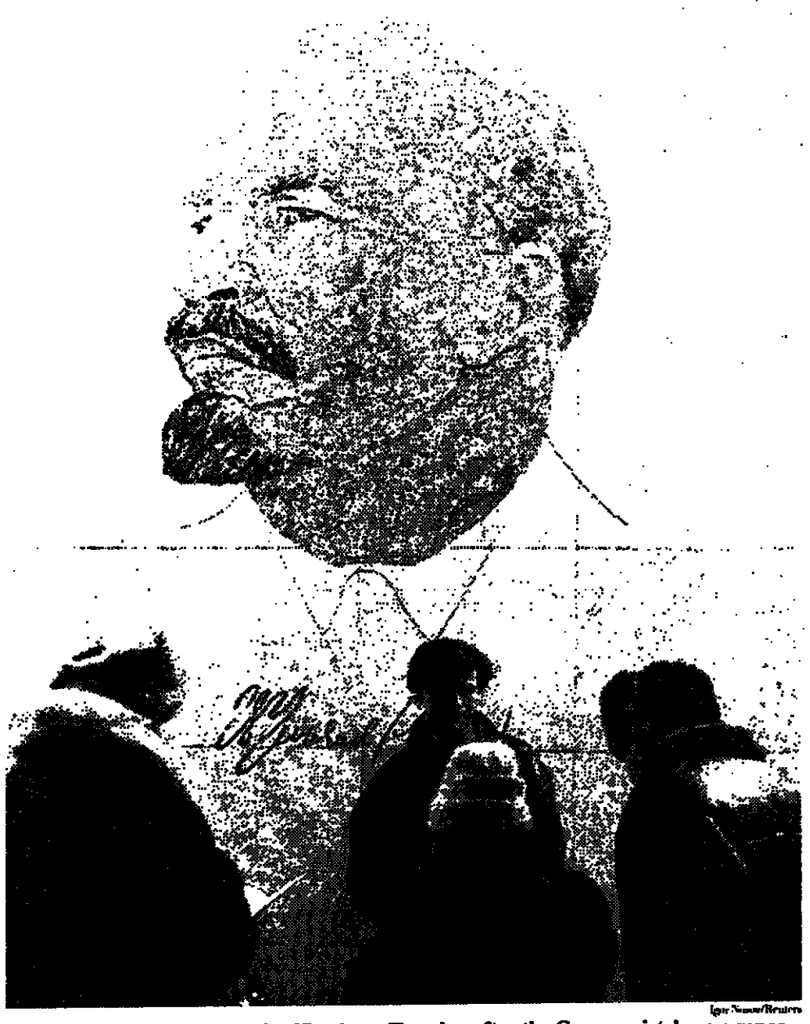
In a written statement, Mr. Bork called the decision "an attempt by the Chinese government to intimidate all Western journalists in Beijing."

He said officials of the Chinese Foreign Ministry had told him that his reporting was consistently "biased and negative," that his articles had "attacked personalities of the People's Republic of China" and that he had traveled through China using a false name and concealing his status as a journalist.

"I absolutely deny" the last charge, Mr. Bork said.

The allegation of attacking Chinese personalities appeared to be a reference to a 1994 article Mr. Bork wrote about Prime Minister Li Peng.

Mr. Bork wrote that Mr. Li ducked questions about his role in the 1989 military crackdown on the democracy movement and referred to Mr. Li as a dictator. *(AP, AFP)*



Igor Zarov/Reuters

Moscovites passing a portrait of Lenin on Tuesday after the Communists' resurgence.

RUSSIA: *Moscow Vows to Stick With Reforms*

Continued from Page 1

seemed likely that Mr. Chernomyrdin's pro-government party may end up with the next largest bloc of seats in Parliament — though still only about a third as many as the Communists. Only two other parties seem likely to clear the 5 percent minimum required to make it into the Duma: the extreme nationalist Liberal Democratic Party of Vladimir V. Zhirinovsky, and the progressive Yabloko Party led by the liberal economist Grigori Yavlinsky.

All three opposition parties, with eyes squarely on the presidential elections set for June 16, on Tuesday took shots at Mr. Chernomyrdin's party and the government of President Boris N. Yeltsin.

Gennadi Zyuganov, leader of the Communists, blamed the government for the "impoverishment" of the Russian people and for allowing television to be dominated by trashy American-made programs.

Mr. Zhirinovsky mocked Mr. Yeltsin's plan to announce in February whether he will be a candidate for re-election.

"I fear that the announcement in February will be about his regular vacation or about his regular course of treatment," Mr. Zhirinovsky said. "For this reason only, Zyuganov and Zhirinovsky will remain" as serious presidential candidates.

Mr. Yavlinsky, who has presidential aspirations of his own, blamed the government for the Communist victory, while failing to mention his own role in splitting the pro-reform vote.

But he also acknowledged that reformers — the various groups broadly committed to free-market reforms and democratic values — would be in deep trouble in the presidential elections unless they united behind a single candidate.

"Unless a substantial change occurs in economic and domestic policy, one can assume that the presidential elections will be contested by the same political forces," he said.

"A coalition of all forces favoring the supremacy of law, human rights and a free economy will be absolutely necessary," he added.

Mr. Zyuganov said the Communists, who have some 780,000 members and by far the biggest and best-organized party structure in the country, had already started holding strategy sessions for the presidential race.

The Communists, who are heavily dependent on the army of more than 30 million Russian retirees, will have trouble capturing the presidency without attracting allies from other leftist blocs.

"A big coalition demands the creation of a broad front," Mr. Zyuganov said. "The door to communication is open to everyone, without exception."

The party will meet early next year to determine whether Mr. Zyuganov will be the party's nominee for president.

"We have been preparing for the presidency for a long time and working out ideas, strengthening our positions and our positions in the regions," he said. "We have the programs, the people and the political tactics."

He attributed the party's success to tireless campaigning in the provinces and a smart advertising strategy. The party did not spend much money on pricey television spots and glossy billboards, preferring to blanket the regions with inexpensively printed leaflets, he said.

Mr. Zyuganov, who has cautioned the North Atlantic Treaty Organization against expanding its ranks to include former Soviet allies in Eastern Europe, warned the Baltic states of Estonia, Latvia and Lithuania not to rush into new alliances.

"Don't race into military organizations," he said. "The Baltic states still have to live next to the Russian Federation, and we would like this relationship to be normal and friendly."

Seoul Cabinet Quits, Opening the Way For Younger Faces

By Kevin Sullivan
Washington Post Service

SEOUL — All 24 members of South Korea's presidential cabinet resigned Tuesday to clear the way for President Kim Young Sam to renew his administration after a scandal that has tainted the nation's business and political worlds.

Mr. Kim, who has already replaced his prime minister with Lee Soo Song, one of the country's leading legal scholars, will appoint the new cabinet as early as Wednesday. New people are expected to fill most of the jobs.

An aide to Mr. Kim said the ministers would be mainly in their 40s and 50s, which is "clearly in line with Kim's repeated calls for a generational change in politics and society as a whole."

Mr. Kim, who was elected in 1992, has worked hard to distance himself from the scandals that have resulted in the arrests of his two immediate predecessors, Roh Tae Woo and Chun Doo Hwan.

Mr. Roh is on trial for bribery and amassing a $650 million slush fund during his term in office from 1988 to 1993.

Thirty-five business leaders are alleged to have given Mr. Roh $369 million and nine of them are on trial, charged with giving him bribes or helping him launder money. They all pleaded not guilty when their trial began Monday.

Mr. Chun, president from 1980 to 1988, is charged with military rebellion, which carries the death penalty, in the December 1979 coup in which he came to power.

Mr. Chun was reportedly seriously ill Tuesday as a result of a jailhouse hunger strike that he has conducted since his arrest Dec. 3. Officials said he would probably soon be transferred to a hospital.

His lawyer, Lee Yang Woo, was quoted in news reports as having said that Mr. Chun's health was poor on the 17th day of his hunger strike.

"He was not able to understand well our conversation," state radio quoted Mr. Lee as saying after visiting Mr. Chun in jail. "He showed signs of dizziness, and could not remember some things."

Mr. Chun at first drank only barley tea and milk, and has since given up milk.

Also Monday, the National Assembly passed legislation that will allow Mr. Roh and Mr. Chun, both former army generals, to be prosecuted for their roles in the May 1980 massacre of at least 200 pro-democracy demonstrators at Kwangju.

Mr. Chun is said to have ordered the crackdown by elite paratroops to quash a demonstration against a state of martial law that he imposed.

Mr. Roh, then a general commanding forces near the North Korean border, brought his troops to Kwangju at Mr. Chun's request to help put down the demonstrations.

Mr. Kim, who was an opposition leader at the time, was among those arrested by martial-law authorities. He spent two years under house arrest.

He proposed the law to allow prosecution because the statute of limitations had expired.

Some South Koreans accuse Mr. Kim of prosecuting Mr. Roh and Mr. Chun to divert attention from his own possible role in the slush fund scandal. Mr. Kim has repeatedly denied that he took money from Mr. Roh and has said that he is pursuing Mr. Roh and Mr. Chun simply to rid South Korea of the political corruption that has plagued it since the Korean War in the early 1950s.

China Is Balking At Role for Patten In 1997 Transfer

Agence France-Presse

HONG KONG — China will refuse to give Governor Chris Patten of Hong Kong a leading role in matters concerning the transfer of sovereignty of the British territory on June 30, 1997, a newspaper report said Tuesday, quoting a high Chinese official.

But a British government representative denied this swiftly, saying that Mr. Patten would be a "major participant."

Wang Guisheng, a director in China's Ministry of Hong Kong and Macao Affairs, told the Wen Wei Po newspaper that the "leading roles" in Hong Kong's transfer of sovereignty belonged to the Chinese and British governments. "The last colonial governor cannot represent Britain," Mr. Wang was quoted as having said.

28 Nations Set Accord To Curb Arms Transfers

Reuters

THE HAGUE — Senior officials from 28 countries agreed Tuesday to set up an international export control system for the post-Cold War era.

The so-called Wassenaar Arrangement follows two years of negotiations on an apparatus to replace the Coordinating Committee for Multilateral Export Controls, or COCOM, the body set up by NATO in 1949 to prevent the transfer of advanced military technology to the Soviet Union, China and their allies.

COCOM was dissolved at midnight on March 31, 1994, because members felt its strict curbs on high-technology exports were preventing former Communist countries from acquiring the technology they needed to build successful market economies.

It was also seen as an obstacle to legitimate trade in sophisticated technology.

The Wassenaar Arrangement — named after the Dutch town where the talks were held — will become operative after an inaugural meeting April 2 and 3 in Vienna.

It is intended to be a flexible system of export controls with participating nations exchanging information to stop countries from developing threatening military capabilities.

The 28 signatory countries include the 16 NATO members except Iceland, plus Russia and its former Communist-bloc allies the Czech Republic, Hungary, Poland and Slovakia.

The other signatories are Austria, Australia, Japan, Finland, Ireland, New Zealand, Sweden and Switzerland.

Two lists of restricted goods have been drawn up — one for conventional weapons and the other for such "dual-use" goods as advanced computers and telecommunications equipment.

David Mercado/Reuters

SEARCH FOR GUEVARA — A forensic expert in Vallegrande, Bolivia, with the contents of a rebel grave. A search for Ernesto Guevara's remains is to resume soon.

Ebola Scare Is Ended, WHO Says

The Associated Press

GENEVA — The Ebola scare in West Africa is over, with all tests on suspected cases proving negative, the World Health Organization said Tuesday.

All those in contact with a Liberian refugee who was confirmed as having the virus early this month have been given the all-clear, said a health agency spokesman.

WHO ordered tests on two people who shared a house with the man on the border between Liberia and Ivory Coast; on a woman who was hospitalized with an unknown infection, and on three others who had contact with the man.

"There is nothing to suggest that there was secondary transmission to anyone else," the spokesman said. There were no infections in the Ivory Coast hospital to which the man was taken. Two reported cases in Angola, in southwestern Africa, had also proved to be false alarms, he said.

News that the Liberian man had Ebola had prompted fears of a possible new outbreak of the hemorrhagic fever. Ebola killed 245 people in Kikwit, Zaire, earlier this year.

The virus is one of the deadliest known to scientists. It leads to high fever and internal and external bleeding.

Major Suffers Humiliating Defeat

Reuters

LONDON — Prime Minister John Major of Britain suffered a humiliating parliamentary defeat Tuesday over European fishing policy that once again showed the depth of anti-European sentiment in his ruling Conservative Party.

Mr. Major lost, 299 votes to 297, overturning his paper majority of five in the 651-seat House of Commons, because some members of his own party withheld their support.

The voting was merely consultative and does not threaten to bring Mr. Major down. He does not need to call a general election until May 1997.

But the defeat is a propaganda coup for Tony Blair, the leader of the opposition Labor Party.

Mr. Major was defeated by the "Eurosceptics" and by members of Parliament from fishing constituencies who refused to back the government's protest proposed cuts in Britain's fish quotas under the European Union's Common Fisheries Policy.

CURRENCY AND CAPITAL MARKET SERVICES

IFEXCO S.A.
FOREX BROKERS
THE RELIABLE PARTNER
GENERAL: 41 22/849 74 11
24/24 DEALERS: 41 22/849 74 45
FAX: 41 22/700 19 13
SEE NBC Superchannel Text Pages: 355 and 356
THE BEST SERVICE 24 HOURS A DAY
International Foreign Exchange Corporation S.A.
86 Bis Route de Frontenex
1208 GENEVA - Switzerland

FOREX CAPITAL MANAGEMENT
"THE GLOBAL CURRENCY EXPERTS"
OFFERING THE FINEST IN CURRENCY ORDER EXECUTION, RESEARCH AND MANAGEMENT.
TO RECEIVE OUR COMPLIMENTARY SERVICES GUIDE AND LATEST RESEARCH REPORTS
CALL TOLL-FREE TODAY.

Switzerland	1557233	U.K.	0800966632	Germany	0130829666
France	05902246	Netherlands	068228657	Belgium	080015880
Denmark	80016132	Ireland	1800559294	Greece	00800119213013
Italy	167875928	Sweden	020793158	S. Africa	0800996337
Japan	0031126609	Singapore	8001282501	Hong Kong	8007289
Australia	1800125944	N. Zealand	0800441880	Cyprus	08098863
Israel	1771583783	Mexico	950008784178	Colombia	980153707
Korea	0078148002633	Thailand	0018001206 2859		

U.S.A. Toll-Voice Line +714-376-8820 U.S.A. Toll-Fax Line +714-376-8825
AROUND THE WORLD — AROUND THE CLOCK
FOREX CAPITAL MANAGEMENT
EXCELLENCE IN CONFIDENTIAL TRADING SERVICES
ACCOUNT MINIMUMS $25,000 TO $5,000,000. (U.S.D.)

Rosenthal Collins Fox Asset Mgmt Group
Your International Link For Managed Futures
- Member of All Principal US Futures Exchanges
- 24 Hour Trading and CTA Desk
- Institutional Clearing and Execution Expertise
- Specialists in Managed Futures Pools/Accounts

For Additional Information: Call 001-1312-341-7819
For a Free Copy of *Managed Futures International*
Fax (US) 001-1312-341-7599
A Division of Rosenthal Collins Group, L.P. - Chicago, Illinois

SURGE TRADING S.A.
surge trading
FOREX & FUTURES BROKERS
NET WORTH CHF3.000.000
24 HOUR DESK
21-23 Rue du Clos, CH-1211 GENEVA 6
Tel.: (41) 22-700 2051 Fax: (41) 22-700 2061
SEE US ON CONTENT PAGE #45

HERALD SECURITIES AG
Your Futures & Options Trading Partner
A comprehensive service to IB's and Private Clients; major market coverage, competative commissions, market news, information and charting. Extensive back office facilities.
Chamerstrasse 14, P.O. Box 4818, CH-6304 Zug, Switzerland
Tel.: +41 42-22 36 78 Fax: +41 42-22 27 00

For further details on how to place your listing contact:
WILL NICHOLSON in London
Tel.: (44) 171 836 48 02
Fax: (44) 171 240 2254
Herald Tribune

Papandreou's Wife Warns His Doctors

She Claims Medical Control

The Associated Press

ATHENS — Prime Minister Andreas Papandreou's wife has warned his doctors not to make any medical decisions without consulting her, it was reported Tuesday.

The warning was included in a letter written by Dimitra Liani to the 15-member medical team treating the 76-year-old Mr. Papandreou. It was published in Athens newspapers.

In it she advises the doctors "to inform me and have my consent for any therapeutic intervention or the choice of any colleague you may need in the future."

The letter was sent after doctors fitted Mr. Papandreou on Sunday with a special catheter to make it easier to connect him with an artificial kidney. They apparently had not informed her about the minor surgical procedure.

Mr. Papandreou's blood has been cleaned by the machine on a daily basis since he was hospitalized on Nov. 20, suffering from pneumonia.

Mrs. Papandreou, 40, has reportedly tried to control all decisions regarding Mr. Papandreou's health and the people he sees. Except for his four children, only one of his cabinet ministers has recently met with him.

Doctors were preparing on Tuesday to move Mr. Papandreou to a more sterile room in an effort to prevent further infection. His health worsened last week when he contracted an infection from one of the many tubes that connect him to life support machinery.

A medical bulletin issued by the Onassis hospital said the prime minister was also being treated with antibiotics to block any new infection.

"His overall condition has not shown any substantial changes," the bulletin said. "His breathing is periodically being supported by a respirator and his kidney functions by an artificial kidney."

Mr. Papandreou's wife also reportedly told the Athens newspaper Eleftherotypia that she would not try to convince him to remain prime minister.

Education Minister George Papandreou, Mr. Papandreou's son, has he would talk to his father about the possibility of resigning as prime minister.

Under the constitution he may be replaced only if he resigns or dies.

A government spokesman, Telemachus Hytiris, repeated that replacing Mr. Papandreou was not an issue and that Interior Minister Akis Tsochadzopoulos was substituting for him.

"The government is functioning," he said.

Derrick Ceyrac/Agence France-Presse

BORDEAUX PROTEST — Thousands of demonstrators took to the streets Tuesday to protest the austerity plans of Prime Minister Alain Juppé, who is also Bordeaux's mayor.

Strikers Cripple Transport In Belgium

Reuters

BRUSSELS — A new wave of strikes at railroads and the national airline Sabena plunged transportation in Belgium into chaos Tuesday.

Most of Sabena's 280 flights scheduled for Tuesday were canceled. Only 30 were known to have gone ahead.

A spokesman said Sabena had canceled all of Wednesday's flights because it feared for passengers' safety during a demonstration by striking workers at Zaventem airport.

Meanwhile, train traffic in Wallonia, the southern half of Belgium, was stalled, and the strike was gradually spreading to the north.

The Eurostar high-speed trains to Paris and London were affected and many trains between Belgium and Luxembourg, the Netherlands and Germany were canceled.

Trade union officials see the strikes as part of a campaign to force the center-left government of Prime Minister Jean-Luc Dehaene to abandon proposals for sweeping budget cuts.

The government is seeking to cut more than 110 billion Belgian francs ($3.7 billion) from its 1996 budget and is preparing to reform Belgium's generous social security system, which has become unaffordable.

Belgium is being forced to cut its budget further to meet the European Union's Maastricht treaty criteria on entry into a future economic and monetary union.

But some analysts said the strikes would deal a serious blow to Mr. Dehaene's cabinet if the entire public sector went on strike.

Sabena's unions, which have staged two 24-hour strikes in recent weeks, called the new strike in further protest against the company's plans to cancel a number of collective wage agreements, freeze wages for three years and increase working hours at peak periods.

BRIEFLY EUROPE

German Rail Sabotage Spreads

KOBLENZ, Germany — Suspected anti-nuclear activists toppled a railroad's electrical pylon on Tuesday, delaying trains along the Rhine route in the second such attack in two days.

The saboteurs sliced through the metal pylon with a blowtorch at about 2:20 A.M., cutting power to trains, the Koblenz police said. About 10 trains were stalled for 35 minutes before power was restored. Railroad officials estimated the damage at 500,000 Deutsche marks ($350,000).

On Monday, the police blamed militant opponents of nuclear power for damaging overhead electrical cables in five locations, delaying trains in central and southwestern Germany for hours. Weighted cables were thrown over the railway power lines, causing passing trains to rip down the lines. *(AP)*

Berlusconi Pushes Early Elections

ROME — Former Prime Minister Silvio Berlusconi said Tuesday that he intended to hold talks with parties of all political hues in a bid to force early elections in Italy.

"I will start consultations straight away," Mr. Berlusconi said.

Prime Minister Lamberto Dini has promised to resign after the 1996 budget is adopted, but parties allied to his government have suggested elections be delayed for six months to avoid interfering with Italy's tenure in the rotating European Union presidency. *(AFP)*

France to Ease Security Measures

PARIS — The French government plans to ease three-month-old anti-terrorist measures put into effect during a bombing wave that killed eight people and wounded 160.

Interior Minister Jean-Louis Debré said the measures, which have involved 32,000 police and military personnel, will remain in effect until after the New Year's holidays.

A spokesman for Prime Minister Alain Juppé said the relaxation of the measures will mean that the soldiers, who patrol major train stations, monuments, public buildings and border posts, will return to their barracks. Police unions, complaining that their members were suffering from exhaustion due to the amount of overtime they have worked, asked that the security measures be eased. *(AP)*

Calendar

European Union events scheduled for Wednesday:

BRUSSELS: Meeting of the European Commission.

OSTEND, Belgium: Schengen executive committee meeting.

BRUSSELS: Meeting of donor countries for the reconstruction of Bosnia, attended by the commissioner for external relations, Hans van den Broek.

BRUSSELS: The commission president, Jacques Santer, meets with the Italian foreign minister, Susanna Agnelli.

BRUSSELS: The research and education commissioner, Edith Cresson, presents the commission's "Green Book" on innovations to the press.

Sources: Agence Europe, AFP

Kidnapped Swiss Is Freed After 24 Hours

The Associated Press

LUGANO, Switzerland — A billionaire businessmen who is one of Switzerland's richest men was freed Tuesday, more than 24 hours after he was reported kidnapped.

Geo Mantegazza, 67, was released in the evening, the police said. They had warned earlier that his life was in danger.

In a statement, the police in Ticino Canton described Mr. Mantegazza's condition as "satisfactory."

The statement said further details of the businessman's release would be released Wednesday.

Mr. Mantegazza was overpowered and abducted from his office by assailants on Monday.

According to a report on the wealthy in Switzerland by the magazine Bilanz, he and his brother Sergio have estimated assets of 2 billion to 3 billion Swiss francs ($1.7 billion to $2.6 billion).

He inherited a fortune from his family and boosted his wealth in the travel business and real estate. Mr. Mantegazza lives with his second wife and a 4-year-old son in the southern lakeside city of Lugano.

Franco Ballabio, the police chief of Ticino, refused to speculate on local newspaper reports that the Mafia in neighboring Italy was behind the kidnapping, but he indicated that the search had spread beyond the Swiss border, saying that the international police agency Interpol was involved in the investigation.

Mr. Mantegazza is best known in Switzerland as the former president of the successful HC Lugano ice hockey club.

He is a co-owner of the Swiss travel group Globus-Gateway Tours. His brother, Sergio, runs the group from London. He also owns several real-estate companies.

Stockholm Appoints A New Police Chief

Reuters

STOCKHOLM — Sweden appointed Industry Minister Bjorn Heckscher as chief of police on Tuesday in a reshuffle that ended the contract of the current police chief, Bjorn Eriksson, almost two years ahead of schedule.

Energy Minister Jorgen Andersson will reportedly take over as industry minister. Minister of Justice Laila Freivalds said the switch in police leadership came at Mr. Eriksson's request.

ADVERTISEMENT

ERICSSON

First Personal Communications Service inaugurated in USA

The launch of the first commercial Personal Communications Service (PCS) in the USA has thrown the spotlight onto the next important phase of wireless communications development.

Taking advantage of the new frequencies allocated by US authorities in the 1900 MHz band, American Personal Communications (APC) inaugurated, in November, a totally digital wireless communications service in the Washington-Maryland-Northern Virginia area.

Under the name of Sprint Spectrum, APC offers an all-in-one service with voice, messaging and paging services from one point at an affordable price.

As APC's primary wireless network equipment provider for the Washington-Baltimore corridor, Ericsson has supplied the network infrastructure for this first US PCS system.

Customers of the new service can use Ericsson's ultra-small CH337 portable phone to send and receive data, fax, voice mail and short messages.

Integrating cellular and PCS

Meanwhile, in Atlanta, Georgia, Ericsson is supplying network equipment to AT&T Wireless Services, Inc, for another important PCS development. AT&T Wireless Services, formerly McCaw Cellular Communications, is testing PCS technology (based on D-AMPS) prior to building a new digital wireless system. The new system will be combined with the company's digital cellular systems to cover more than 80% of the US population.

AT&T Wireless Services's stated intent is to 'integrate cellular and PCS licenses into the nation's most powerful and far-reaching wireless service.' This will be possible because both the company's existing digital cellular service and the planned PCS service will use the same digital radio technology.

These two projects mirror similar developments taking place all over the world, as wireless network operators plan for large-scale service growth that will make the portable phone a truly mass market product.

One technology rules supreme

As the swing from analogue to digital wireless technology gathers momentum, it is clear that the world market is polarising around two main standards, both based on the same technology, known as TDMA. This is driven by the recognition that it is easier to provide subscribers with national and international roaming when a common radio access technology is used.

The standard in Europe and most of the Asia-Pacific region is GSM, which has been adopted by 99 countries so far. GSM has also achieved some penetration in North America.

Another standard based on TDMA technology, D-AMPS, is still dominant in North and South America, and has also achieved penetration of the Asia-Pacific region. To date, 22 countries have adapted D-AMPS, and in the USA and Canada, it is installed or being installed nationwide.

One reason for the strong interest in D-AMPS is the large installed base of AMPS networks. It is relatively easy to migrate these networks to digital services and safeguard the network operator's existing investment. Then, as the AT&T project highlights, future PCS services can be integrated in a seamless fashion.

In some countries, both GSM and D-AMPS networks are being deployed.

Wireless world leader

Ericsson has a strong market position in both the GSM and D-AMPS sectors. In the GSM world, almost one in every two subscribers is served by Ericsson systems. In the D-AMPS/AMPS world, Ericsson has supplied systems for over 15 million out of the world's 45 million subscribers.

There is a third standard used in Japan. This is known as PDC (Personal Digital Communications), and is also based on the same TDMA digital radio technology as GSM and D-AMPS. Ericsson is a major supplier of systems to this standard.

As the industry starts the next evolutionary step to PCS, Ericsson is ready with a range of wireless network infrastructure systems and phones. This includes a dual-mode, dual-band phone capable of working not only on the digital cellular and PCS frequency bands, but also on analogue channels. This will allow network operators to take maximum advantage of the 1900 MHz frequencies becoming available.

From strength to strength in Japan

Worth a total of SEK 900 million, two new contracts have confirmed Ericsson's position in the fast-growing Japanese market for digital cellular telephone systems conforming to the PDC (Personal Digital Cellular) standard.

Central Japan Digital Phone has ordered switching equipment, radio base stations and associated equipment worth SEK 655 million to expand its digital network in Nagoya. Since entering service in July 1994, the network has grown by 10,000 subscribers a month.

Meanwhile, in the northern Japan region of Hokkaido, Digital Tu-Ka Hokkaido has placed orders worth SEK 250 million for a new digital network. The new network will be operational in July 1997.

Japan is Ericsson's second-largest – and fastest-growing – market for mobile networks. There are currently four Japanese PDC networks based on Ericsson systems. These have been in operation since mid-1994 and are now serving 600,000 subscribers.

South African breakthrough

Ericsson has signed its first general purchasing agreement with Telkom South Africa Ltd. A three-year contract to supply Mini-Link digital microwave systems signals has an estimated value of 50 million Rand.

ADVERTISEMENT

ERICSSON

Ericsson and Marconi partnership targets $2 billion global transport network

In a move aimed at securing a growing share of the global market for new-generation telecommunication transport networks, Ericsson and Marconi have announced a strategic partnership to concentrate on SDH (Synchronous Digital Hierarchy) systems.

The co-operation brings together the strengths and synergies of two major players in the transport systems area, and is expected to deliver cost and time factor benefits.

The move reflects the increased pace of vendor consolidation in this field.

The Ericsson/Marconi partnership includes the grant of licensing and manufacturing rights by Marconi and will be based on a mutually exclusive use of a common SDH portfolio, as well as optimal use of distribution channels worldwide.

Ericsson's market presence in more than 100 countries, combined with the proven technology of the two companies' product portfolios, are obvious synergies.

The international SDH standard defines new technologies for the digital transmission of voice, data and video traffic within telecommunications networks.

The majority of network operators are planning for the migration of their networks to SDH technology. The world market is forecast to grow from its present $2 billion to $5 billion towards the end of the decade.

Another AXE milestone

100 million lines worldwide

The AXE system, Ericsson's core switching system for fixed and cellular mobile telecom networks, has been confirmed as the most widely-deployed system internationally. The number of lines installed and on order has passed 100 million.

The rate of installation of AXE exchanges is increasing year by year. In 1994, 13.5 million AXE lines were installed in fixed public networks. This was an all-time record and represents an increase of around 15% on the previous year. Of this 1994 total, 10.7 million were local lines and 2.8 million transit lines.

The AXE system is used in public fixed and mobile telecom networks in 113 countries – the latest additions being Lithuania, Moldova and Tanzania. The countries with the largest installed base of AXE switching equipment by July 1995 are the UK, Australia, China, Sweden and Mexico.

Nine-month profits up 38%

Ericsson posted a 38% rise in third-quarter profits, on sales 23% higher compared with the corresponding period of 1994. New orders were buoyant as well, up by 31%.

Pre-tax profit for the nine months ended 30 September 1995 was SEK 4,810 million ($672 million) on sales of SEK 66,901 million ($9,349 million).

Mobile telephony is again the star performer, with the company's Radio Communications business area posting a 60% increase in new orders and accounting for 60% of the company's total order bookings. Overall, Ericsson is the world leader in mobile telephone systems, with more than 40% of the market, in terms of subscribers.

For the new digital systems, Ericsson's position is even stronger. Almost 50% of subscribers to digital GSM networks around the world are served by Ericsson systems. In Japan, Ericsson is a leading supplier of digital systems to the PDC standard; and in the USA, around 60% of the digital D-AMPS subscribers are served by Ericsson systems.

Commenting on the results, Ericsson CEO Dr Lars Ramqvist said: 'Ericsson is now able to report continuous quarterly growth over four consecutive years. I regard this as clear evidence that we acted correctly in continuing to invest heavily in research and development in areas judged as having the best potential for the future'.

The mobile office

The new Mobile Office DC12 package from Ericsson lets subscribers stay in touch wherever they travel. Instead of plugging a laptop computer into an ordinary telephone socket, users can be connected via a PCMCIA card to a digital portable phone. This gives subscribers access to electronic mail as well as database and data communications services.

The package contains everything subscribers need, including connecting cable and Windows-based mobile communications software.

It supports fax and data communications, Short Messaging Service (SMS) and Phone Manager.

World round-up

Australia A new order for GSM digital cellular network equipment takes Ericsson's sales to Vodafone Australia to AUD 400 million. Partly as a result of these GSM orders since 1993, Ericsson's Australian plant has become one of the largest telecoms manufacturers in the Asia-Pacific region.

Argentina In a contract that highlights the spread of the North American D-AMPS standard, Ericsson is to complete a nationwide D-AMPS/AMPS network in Argentina with two cellular operators – Telefónica Comunicaciones Personales and Compañía de Comunicaciones Personales del Interior. In a separate contract, the existing Movistar network in Buenos Aires is to be expanded. These orders total $200 million.

Philippines Ericsson has won turnkey contracts worth $250 million to supply equipment and build the fixed local telecom network for Smart Communications Inc, and to expand Smart's existing cellular mobile network.

In another turnkey contract worth $59 million, Ericsson will expand the fixed telecommunications network of Digitel (Digital Telecommunications Philippines, Inc) to support domestic and international telephone services.

China With nine million lines of Ericsson's AXE system already supplied to China, a new general purchasing agreement with the Chinese Ministry of Post and Telecommunications (MPT) covers a further 2.6 million lines for delivery during 1996 and 1997. Nanjing Ericsson Communication Ltd will manufacture the AXE equipment in China. A Memorandum of Understanding has also been signed with MPT covering SDH transmission technology.

A new agreement with Guangdong Post and Telecommunication Administration and Machinery Import and Export Bureau covers the supply of telecommunications energy systems for Guangdong Province and the People's Republic of China.

Three cellular network expansion projects in China have led to orders totalling $96 million. One is for expansion of the digital GSM network in Shandong Province; the others are for analogue TACS networks in Hunan and Liaoning Provinces.

Telefonaktiebolaget LM Ericsson,
S-126 25, Stockholm, Sweden.

Ericsson's information-on-demand database can be addressed at: www.ericsson.com

Ericsson's 80,000 employees are active in more than 100 countries. Their combined experience in switching, radio and networking makes Ericsson a world leader in telecommunications.

Crucial Countdown Begins For Peace Plan in Bosnia

Washington Post Service

SARAJEVO, Bosnia-Herzegovina — When the United Nations hands over command of its Bosnian operation to the North Atlantic Treaty Organization on Wednesday, the clock will begin ticking toward a set of deadlines that must be met if the ambitious U.S.-brokered plan to bring peace to the Balkans is going to work.

UN officials and Western diplomats say that a delay of any one of a series of these deadlines could trip up Operation Joint Endeavor, hampering the most ambitious U.S. diplomatic and military initiative since President George Bush dispatched American troops to liberate Kuwait from Iraqi occupation in 1990.

The members of the NATO implementation Force, or IFOR, including 20,000 American soldiers, will have their work cut out for them. Already bad weather has slowed their deployment. On top of that they will confront a culture that rejects urgency as a way of life. "Bosnian time," as one UN official put it, runs slower than its Western counterpart. The Serbs view deadlines as things to be defied; the two other sides, Muslims and Croats, have often treated them as hindrances to be ignored.

Partly for that reason, the deadlines are flexible. U.S. Navy Admiral Leighton Smith, who will command the operation, will have the power to lengthen them if the situation demands it. The Bosnian Serbs are already pleading for an extension of the three-month transition period for the Serbian-held suburbs around Sarajevo, slated to be returned to the mostly-Muslim Bosnian government.

"I do not underestimate the challenge, but IFOR has been given the tools to do the job." British Army Lieutenant General Michael Walker, commander of NATO ground forces in Bosnia, said when he arrived in Sarajevo on Tuesday. "We offer the chance for something everybody wants, peace."

While much attention has been lavished on the risks inherent in the military aspects of the accord, such as a withdrawal of the warring factions and the occupation of a demilitarized zone by tens of thousands of NATO troops, many Western officials here expect real problems to arise with the mandated nationwide elections scheduled to occur between six months and nine months away.

Another headache concerns guarantees in the plan that people who were "ethnically cleansed" from their homes can actually return, a problem also linked to the elections.

The elections will be the tripwire for the NATO operation to begin scaling down, one American source said. For the first three months, NATO will be building up in Bosnia, for the next three it will maintain itself at full strength, and, triggered by elections after that, it will begin to leave, he said. Thus, if the vote does not occur, if it is delayed or collapses, the source said, U.S. disengagement in the area could be a source of friction between Washington and its European allies. President Bill Clinton has pledged to pull U.S. troops out after one year, a promise that many officials in the region believe he will have a hard time keeping.

The elections are critical to the peace deal because Bosnia's two sides will use them to form a national government designed, at least on paper, to keep the country from splitting in two.

"The problem is the elections are supposed to be free and fair," said a West European diplomat who is working on a plan for the nationwide vote. "I don't see how that can happen in so short a time."

But even before the operation gets to elections, there will be many hurdles to cross. The first will be a release of prisoners-of-war, which is supposed to occur on Jan. 19.

Prisoner exchanges have been one of the most politically explosive issues throughout the war. All sides have used them to obtain concessions.

"The prisoner release will be the first visible sign for people that the peace process is going to work," said Beat Schweizer, the head of the Sarajevo office of the International Committee of the Red Cross, which will oversee the operation.

—JOHN POMFRET

A U.S. soldier from a support unit walking past a bullet-ridden wall at the Slavonski Brod railroad station in eastern Croatia on the Bosnian border.

BALKANS: *U.S. Pins Its Hopes for Peace on a Tried and True Policy: Containment*

Continued from Page 1

Now, after stepping in to broker the agreement that has halted the war, the United States is sending 32,000 soldiers to the region to conduct and support a peacekeeping mission, including 20,000 to Bosnia.

While debate continues in Washington over whether the deployment of the force serves U.S. interests, it has dramatically raised the stakes in the Balkans. The outcome of the mission, and of the evolving U.S. security initiatives elsewhere in the region, could set the pattern for U.S. relations with both Europe and Russia, senior officials say.

"The U.S. role in Europe and NATO's future and our bilateral relationships with all the major countries in Europe are all going to be determined by Bosnia," said Richard C. Holbrooke, the assistant secretary of state who led the U.S. negotiating team at Dayton, Ohio. The peace mission, he argues, has replaced plans for the expansion of NATO to include former Soviet bloc countries — or initiatives to promote democracy and capitalism in Russia — as the key determinant of what U.S. relations with Europe and Russia will be like after the Cold War.

If the U.S. forces see the year-long mission through despite casualties and hardships, and the peace holds, the United States will again confirm itself as the key guarantor of security in Europe and the foremost defense partner of major European countries. That development would end a period of uncertainty after the fall of the Berlin Wall in 1989 in which those states explored, in part through their own failed mission in Bosnia, whether they could take responsibility for keeping the peace on the continent without American help.

Success in Bosnia could also stabilize relations with Russia, a sometime supporter of the Serbs that has gingerly entered into a new kind of military partnership with NATO by agreeing to deploy forces in Bosnia under the command of a U.S. general.

The consequences of failure could be equally momentous.

If war resumes in the Balkans and U.S. troops retreat in disorder, the NATO alliance — the foundation of U.S. and West European security since 1945 — could unravel amid mutual recriminations among Washington, Paris and Bonn, as it nearly did at the low point of the Bosnian war.

An alienated Russia could retreat behind a new Iron Curtain. Some experts even fear a new, fortified East-West frontier could spring up along the old continental fault line between Roman Catholic Croatia, a traditional province of the West, and Orthodox Serbia, a former possession of the Ottoman Empire and a historical ally of Russia.

"We did not choose this as the test case" of the new security order in Europe, Mr. Holbrooke said of the Bosnian peace accord. "But as so often happens in history, the worst case is the key test. Nobody wanted it to happen, but that is the hand history has dealt."

While Moscow's influence in the region remains an implicit concern of U.S. policymakers, the main focus of the containment policy now is Belgrade. The arc of U.S. defense agreements stretches from Macedonia and Albania, on Yugoslavia's southern flank, to Croatia, Hungary and Romania to its west, north and northeast.

Albania has run headlong into the embrace of the Pentagon since 1991, when it became the last of the East European countries to abandon communism. Now the U.S. military uses its airfields, practices on its beaches and trains in its mountains. "They act like an ally," said one U.S. officer, pointing out that Albania was not paid for playing host to the spy plane operation, "only better."

Macedonia, the smallest of the newly independent republics of Yugoslavia, has been host to a small detachment of U.S. peacekeeping troops since 1993. The troops were sent under UN auspices because of fears that the country, squeezed in among Yugoslavia, Greece, Albania and Bulgaria, might invite aggression from Serbia or elsewhere. In October, a car bomb almost killed its respected president, Kiro Gligorov. His first foreign visitor after the attempt was U.S. Secretary of Defense William J. Perry.

U.S. defense ties with Croatia and Romania have grown despite concerns about their human rights records and commitments to political and economic reform. That is mainly because Romania, with 25 million people, is the biggest country in the region and Croatia is the only one with an army capable of challenging the Serbs.

Defense ties with Croatia, which were suspended this summer after Croatian troops expelled 150,000 Serbs in a huge offensive, have resumed even though U.S. diplomats had said that Croatia's violations of human rights during that attack would make immediate resumption impossible.

Romania, meanwhile, has signed an agreement with Bell Helicopter Textron to begin producing AH-1F Cobra attack helicopters for the Romanian armed forces from 1999 to 2005.

One way or another, the Pentagon appears likely to assist in training the mostly Muslim Bosnian army. The Clinton administration has promised congressional leaders that training and arms supplies will be provided to the Muslims, although administration officials still hope to work through third parties. West Point and the U.S. Air Force Academy are accepting applications from Bosnian officers this year.

Other defense ties are expected to increase as well.

A U.S. administration official confirmed that containment was an option but stressed that it depends on Serbian behavior.

"We've got to make the Balkans safe from Serbia," he said, quickly adding that the Balkans should also be made safe for Serbia if it meets U.S. conditions for its reintegration into the West. Among those conditions will be deep cuts in Serbia's arsenal.

BUGS: *'Engineered' Insects Are Ready to Romp*

Continued from Page 1

risks," she said. "It requires a sophisticated understanding of insect behavior and ecology that we just don't have right now."

Ms. Hoy will take precautions to keep the altered organisms from escaping during their first outing. The mites will be transported to the Florida plot in sealed plastic boxes surrounded by water moats.

The scientists' laboratory coats will be soaked in alcohol before they are taken back to the lab. Sticky insect traps will be scattered throughout the high-security test plot; pesticides will be sprayed around the perimeter every two weeks, and mite-covered leaves will be destroyed in sterilization chambers after the scientists examine them.

Moreover, the mite that Ms. Hoy has genetically changed, known as the Western orchard predatory mite, cannot survive Florida's hot humid summers.

Indeed, that's the problem genetic engineers would like to solve. For years, West Coast farmers have used the mites as biological controls against spider mites in almond and fruit orchards. In one California study, Ms. Hoy said, farmers saved $20 million in pesticide costs by introducing the predatory mites. But repeated attempts to establish the mite in Florida have failed.

Ms. Hoy hopes to provide the mite with genes that will enable it to tolerate Florida's climate and perhaps also to resist pesticides. As a first step, she and her co-workers endowed the mite with a "marker gene," a stretch of DNA that confers no benefits but is easy to identify.

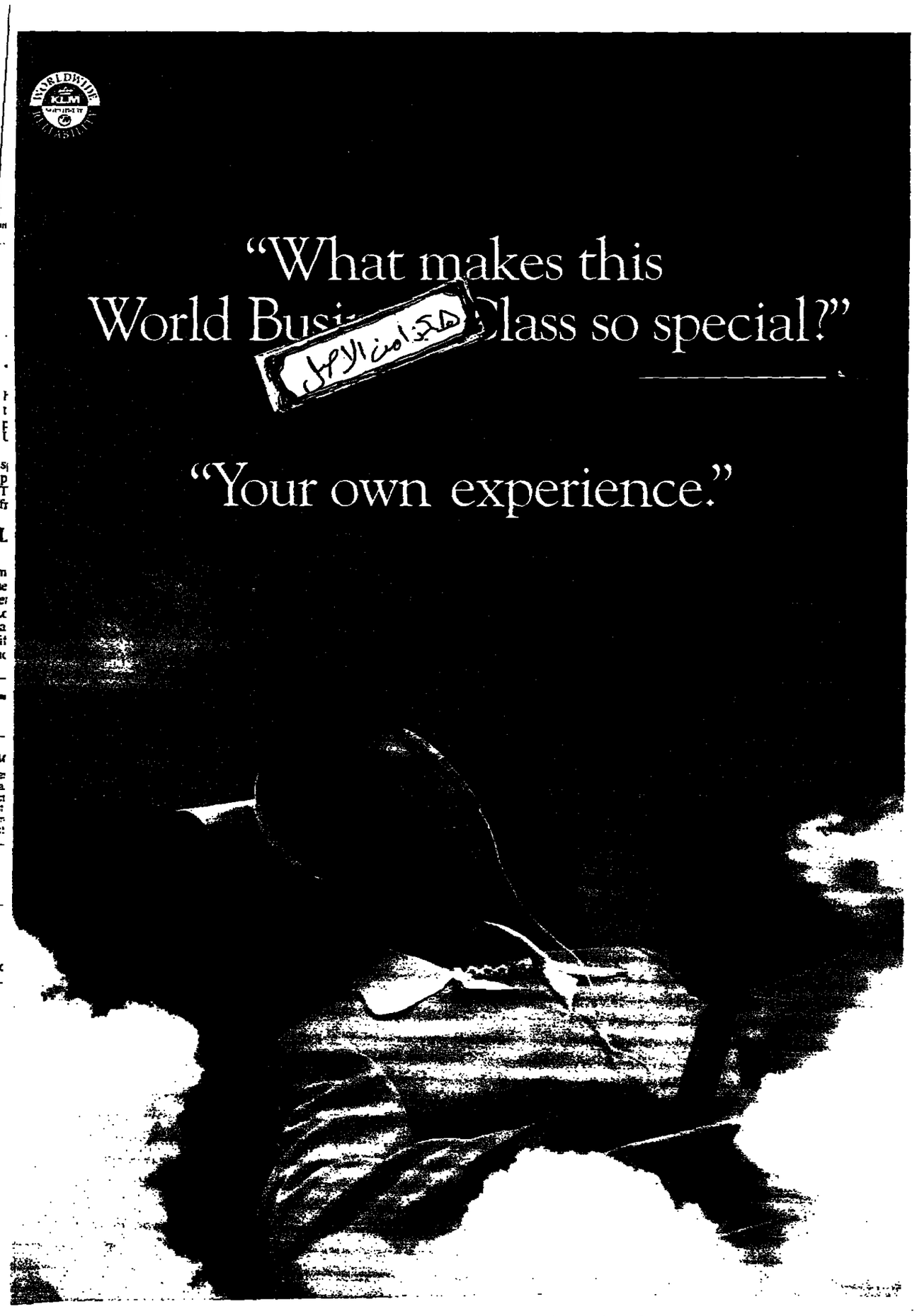
The marker gene has survived in Ms. Hoy's line of mites for more than 150 generations in the laboratory. The field trials will test whether the gene is passed from parent to offspring under realistic conditions.

Ms. Hoy admits that there is a chance that some mites will escape, but she sees no cause for alarm. "In the worst-case scenario," she said in her application to the Department of Agriculture, "a desirable natural enemy valued for its ability to control pest spider mites would be added to the fauna of Florida."

Other scientists are watching closely to see how the government handles her request. Among them are researchers at the Maryland Biotechnology Institute in Baltimore who recently announced they had developed a promising method for getting new genes into a wide variety of insects.

"We can use genes the same way we use insecticides," said David O'Brochta, who co-directed the gene insertion work at the Maryland Institute. "Think of taking deleterious genes and spreading them through an insect population, eventually leading to the death of those insects or their progeny."

That is the strategy that Thomas Miller and John Peloquin, both entomologists, are pursuing at the University of California at Riverside. Mr. Miller and Mr. Peloquin have been inserting a lethal gene into a caterpillar called the pink bollworm. These caterpillars live in cotton bolls, causing millions of dollars in damage every year. The researchers have inserted into laboratory-reared bollworms a deadly gene that only becomes active in those insects' offspring.



KLM and Northwest Airlines have a service that's in a class of its own. Experience the comfort of more legroom, seats with better recline, gourmet meals plus personal phone and video. Experience World Business Class.

Contact your travel agent, your KLM or Northwest office or call +31 20 4 747 747.

NORTHWEST AIRLINES KLM Royal Dutch Airlines

World Business Class

TO OUR READERS IN AUSTRIA

It's never been easier to subscribe and save. Just call our Vienna Office: 853 641 3830 or fax: 853 641 3840

North Korea Missile Threat Worries U.S. and Japan

By Michael Richardson
International Herald Tribune

SINGAPORE — Although it has pledged to freeze its suspected nuclear weapons program, North Korea is continuing to develop ballistic missiles that could carry chemical or biological warheads over increasingly long distances, according to Western and Japanese officials.

The United States is worried that North Korea will export the missiles to such countries as Iran and Libya in exchange for hard currency to help support its confrontation with South Korea.

Japan is concerned that Tokyo and other major cities and industrial centers on its east coast will come within range of the North Korean missiles before defenses can be developed to counter the threat.

"North Korean missile advances and plans for new Chinese missiles could provoke Japan into developing its own missiles as a counter-threat," a Western official said Tuesday.

China has a series of operational missiles with ranges of up to 8,000 kilometers (5,000 miles). Last month, it "tested" some of its shorter-range missiles close to Taiwan in what was widely regarded as an intimidation tactic to prevent the island from seeking wider international recognition.

John M. Deutch, the Central Intelligence Agency director, said recently that North Korea's latest missile, the No-Dong 1, could be deployed before the end of 1996.

With a range of about 1,000 kilometers and the ability to carry a one-ton warhead, it could hit targets throughout western Japan, but not Tokyo, according to Japanese analysts. The range is about double that of North Korean missiles already in operation.

Atsumasa Yamamoto, a senior officer in the Japan Defense Agency who has been seconded to the Institute for International Policy Studies in Tokyo to study the missile threat, said that for a country like Japan with a heavy concentration of population and industry in cities, "ballistic missiles have tremendous capability to inflict both physical destruction and psychological trauma."

He said that in northeast Asia all countries except Japan were armed with ballistic missiles, and that those in North Korea, China and Russia presented "a real and present danger" to the country.

Mr. Deutch said in a recent speech at the Pentagon's National Defense University in Washington that North Korea was developing a more advanced missile system, the Taepo Dong, which "could reach several thousand kilometers, as far as Alaska."

The missile is reported to have been flight-tested in February.

The U.S. government's information service last week made public excerpts of Mr. Deutch's speech. Publication was evidently timed to appear shortly before major industrial nations met in The Hague this week to try to reach agreement on new export guidelines to prevent high-technology products with possible military applications from falling into the hands of such countries as North Korea, Iran, Libya and Iraq.

The meeting of the group, known as the New Forum, is due to end Wednesday. It is the successor to CoCom, the Coordinating Committee for Multilateral Export Control, through which the United States and its allies tightly controlled exports to Soviet-bloc countries during the Cold War.

Mr. Deutch noted that under an October 1994 agreement with the United States, North Korea agreed to freeze and eventually dismantle its production of plutonium.

"But North Korea maintains an active chemical weapons program, and despite the signing of the Biological and Technical Weapons Convention, it has an active biological weapons program which is at the early stages of research and development," he said. "Most notably, North Korea has invested heavily in developing ballistic missiles that can deliver weapons of mass destruction."

Mr. Deutch said that North Korean missiles were not very accurate now and that it was important to make sure that Pyongyang did not get better guidance and control technology.

In the early 1980s, North Korea started building copies of the Soviet Scud-B missile with a range of 300 kilometers, sufficient to reach targets inside South Korea. By the late 1980s, the North developed the Scud-C with a range of 500 kilometers and in 1993 it tested the No-Dong 1 in the Sea of Japan.

Mr. Deutch said thatNorth Korea sold these Scud missiles in the Middle East and elsewhere.

India Denies It Plans Nuclear-Arms Test

'We Have the Capability'

Compiled by Our Staff From Dispatches

NEW DELHI — India affirmed its nuclear capability Tuesday but denied that it is preparing to conduct a nuclear test.

"We have the capability, but we deliberately opted not to manufacture nuclear weapons. Our program is for peaceful purposes," Foreign Minister Pranab Mukherjee said.

Last week, news reports said spy satellites had spotted what could be preparations for a nuclear test in India's Rajasthan Desert.

"My answer is no," he said when asked if a test was planned. "The reports are speculative and baseless."

India conducted its only nuclear test 21 years ago and has refused to sign the Nuclear Nonproliferation Treaty, saying the agreement discriminates against nations that do not already have a nuclear arsenal.

Mr. Mukherjee said India favored a comprehensive nuclear test ban treaty, being promoted by the United States. But he added that it must reflect concerns about elimination of nuclear weapons within a definite time-frame.

As the government denied plans for a nuclear test, a newspaper, The Asian Age, reported Tuesday that India was planning to test a surface-to-surface missile, and not a nuclear device, at Pokharan in the Rajasthan Desert.

The Asian Age said India planned to conduct a test-firing of the short-range Prithvi missile with a conventional warhead. Mr. Mukherjee did not directly comment on the report.

The newspaper added that U.S. intelligence experts had apparently interpreted preparations for the missile firing at the Pokharan test site as preparations for a nuclear test.

The Asian Age said the decision to stage the test of the Prithvi missile now was a signal to the United States that sales of weapons to Pakistan would set off an arms race in South Asia.

The U.S. Congress recently approved a one-time waiver of a congressional amendment barring weapons sales to Pakistan to allow for delivery of $370 million worth of arms.

The so-called Pressler Amendment bars the United States from selling weapons to Pakistan until the White House can certify that Islamabad is not developing nuclear arms.

In Islamabad on Tuesday, the former Pakistani Army chief, General Mirza Aslam Beg, urged his government to accelerate the country's nuclear program.

"We should activate and accelerate it," General Beg told The Associated Press of Pakistan, stressing that the country should maintain nuclear "deterrence at high pitch."

General Beg, who was army chief from 1988 until the middle of 1991, said Pakistan should take up the reported Indian plan with the United Nations Security Council, the International Atomic Energy Agency and the International Court of Justice.

(AP, AFP, Reuters)

Hoang Dinh Nam/Agence France-Presse

HANOI VISIT — President Lee Duc Anh, left, greeting King Tunku Ja'afar ibni Abdul Rahman of Malaysia on Tuesday.

Pyongyang Will Lose Food Office

Agence France-Presse

TOKYO — The World Food Program closed its office in Pyongyang on Tuesday despite evidence of worsening famine across North Korea, according to the bureau head, Trevor Page.

He said it had to close because there was no international food aid to distribute.

Three of the office's four permanent staff members, including Mr. Page, will leave North Korea on Wednesday, he said by telephone. The fourth will remain until mid-January but leave then if no further aid arrives, he said.

Since it opened Nov. 4, the office has distributed 5,000 tons of rice from the United Nations to people affected by last summer's disastrous floods.

The Roman Catholic charity Caritas and the International Committee of the Red Cross combined brought in a further 3,250 tons of rice, but no more aid has come since then, Mr. Page said.

"Food need is very urgent and very real," he added, pointing out that people already weakened by malnutrition are facing temperatures far below freezing.

"We need 15,000 tons of rice just to help the worst-hit 500,000 people to cope with the winter," Mr. Page said. He added that North Korea will need 2 million tons by September 1996 to compensate for a bad harvest this year.

State rations have been reduced by Pyongyang to 300 grams (10.5 ounces) of grain a person a day, or 9 kilos (19.8 pounds) a month, he said.

People living on such low rations will rapidly become weak, especially in severe cold weather, Mr. Page said.

On Monday an official of the International Federation of Red Cross Societies, Piero Calvi-Parisetti, spoke of a "humanitarian emergency" more serious than previously thought.

Traditionally boasting of self-sufficiency, North Korea appealed for international aid for the first time last summer. The response has been limited.

Cambodian Prince Will Leave Soon For Exile in France

Agence France-Presse

PHNOM PENH — Prince Norodom Sirivudh, who has been charged with plotting to assassinate co-Prime Minister Hun Sen, will leave Cambodia for exile in France on Thursday, King Norodom Sihanouk said.

The prince, a half brother of the king, also promised not to engage in politics while in exile. Specifically, he promised not to support Sam Rainsy, a prominent dissident who is the founder of the banned opposition Khmer Nation Party.

The prince "will be sent by me into exile in France this Thursday, 21 December 1995 by commercial plane," the king said Tuesday in separate letters to Mr. Hun Sen and First Prime Minister Prince Norodom Ranariddh.

In separate letters to the two prime ministers, Prince Sirivudh, the secretary general of the royalist party and a member of Parliament, said he would "leave in two days to live in exile in a foreign country."

He also thanked the prime ministers for their clemency and repeated his vow to remove himself from the political arena.

BRIEFLY ASIA

Japan Defends Strong Military

TOKYO — Uncertainties on the Korean Peninsula, territorial problems with Russia and the potential for regional disputes mean Japan needs to maintain its military strength, a senior Japanese defense official said Tuesday.

"We will keep up the philosophy not to lower defense capability by maintaining quality and modernizing the forces," said Masahiro Akiyama, the Defense Agency's director-general of defense policy. "Although the Cold War is over, we still face unsolved problems, including the Korean peninsula issue, the northern territory problem between Japan and Russia and the Spratly Island issue," he said. *(AFP)*

China Tells EU to Stop Meddling

BEIJING — China belittled the European Union on Tuesday for denouncing its jailing of the dissident Wei Jingsheng and pledged not to tolerate meddling in Chinese affairs.

"The EU gesticulating and interfering in a purely internal affair of China is definitely unacceptable to our Chinese government," a Foreign Ministry spokesman said. Mr. Wei was convicted on Dec. 13 of conspiring to subvert the government. He was imprisoned for 14 years. The European Union denounced the trial and demanded his unconditional and immediate release. *(Reuters)*

Kabul Hit by Rebel Rockets

KABUL — Rebels launched several rockets on the Afghan capital Tuesday, hours after government soldiers fought off advancing forces on two fronts nearby, a government spokesman said. The rockets fired from Kabul's southern outskirts killed two people and injured 27, the government said.

The government blamed the rocket assault on the Islamic Taleban militia, which launched a failed offensive against the city's defenses earlier in the day. *(AP)*

VOICES From Asia

Foreign Minister Qian Qichen of China in remarks to the Japanese foreign minister, Yohei Kono, about Japan's coming to terms with its aggression before and during World War II: "We hope the Japanese government can fully recognize the importance and sensitiveness of the historical issue and treat properly questions in this regard." *(AFP)*

Foreign Minister Pranab Mukherjee of India, asked if, as U.S. officials had reported, India had any plans to conduct a nuclear test: "My answer is no." *(AFP)*

FORMAL SHIRTS AND ACCESSORIES

From our Extensive Collection of Evening Wear

S U L K A

LONDON NEW YORK PARIS BEVERLY HILLS SAN FRANCISCO CHICAGO

19 Old Bond Street London 0171 493 4468
2 Rue de Castiglione Paris 42 60 38 08

THE WORLD'S DAILY NEWSPAPER EVERY DAY FOR A YEAR.

Is there anyone you know who shares your international outlook and interest in world affairs?

Then what better gift could you send them than 365 days (6 days a week) of the International Herald Tribune's unique coverage of global events?

Thanks to our powerful news-gathering network, we offer an unrivalled perspective on international affairs, opinions, trends and influences.

As a bonus we are offering IHT subscriptions in a special seasonal package, at the rates outlined in the following table. And, if you are an existing subscriber you will be awarded automatically a free week added to your subscription for every month you buy on behalf of a friend.

Country/Currency		12 months +2 months FREE	% SAVINGS for 1 year	6 months +4 weeks FREE
Austria	A. Sch.	6,000	41	3,300
Belgium	B. Fr.	14,000	41	7,700
Denmark	D. Kr.	3,400	33	1,900
Finland	F. M.	2,400	45	1,300
France	F. F.	1,950	40	1,070
Germany*	D. M.	700	38	385
Greece	Dr.	75,000	41	41,000
Great Britain	£	210	32	115
Ireland	£ Irl.	230	37	125
Italy	Lire	470,000	34	260,000
Luxembourg	L. Fr.	14,000	36	7,700
Netherlands	Fl.	770	40	420
Norway	N. Kr.	3,500	48	1,900
Portugal	Esc.	47,000	44	26,000
Spain	Ptas.	48,000	41	26,500
hand delivery Madrid	Ptas	55,000	33	26,500
Sweden (airmail)	S. Kr.	3,100	42	1,900
hand delivery	S. Kr.	3,500	36	2,000
Switzerland	S. Fr.	610	48	335
For other European countries	$ US	485		265

* For information concerning hand delivery in major German cities call toll free IHT Germany at: 0130-84 85 85 or fax (069) 175 413. Under German regulations, a 2-week free period is granted for all new orders.

Yes, I would like to give the gift of an International Herald Tribune subscription to a friend. The subscription term I prefer is (tick box):

☐ 12 months (plus 2 free months).
☐ 6 months (plus 1 free month).
☐ I enclose a cheque for the relevant amount (payable to the International Herald Tribune).

Please charge my: ☐ American Express ☐ Diners Club ☐ VISA ☐ MasterCard ☐ Access ☐ Eurocard Card No: _____ Exp. Date: _____

Signature: _____

For business orders, please indicate your VAT No: _____
(All VAT Number RC473203112)

For existing subscribers only: Please invoice me ☐

If you know your subscription number, please write it here: _____

My name is: _____

Job title: _____

My address is: _____

City/Code: _____ Country: _____

Tel no: _____ Fax no: _____

I would like to give the IHT to: ☐ Mr. ☐ Mrs. ☐ Ms.

Family Name: _____ First Name: _____

Job title: _____

Mailing Address: _____

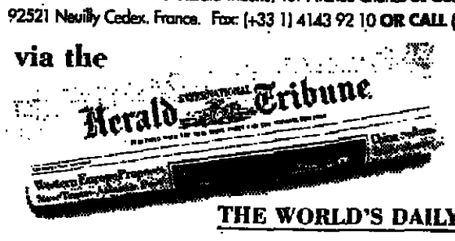
City/Code: _____

Country: _____ Telephone No: _____

Please tick if you do not wish to receive mail from other companies. ☐ X95

Mail or fax to: International Herald Tribune, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Fax: (+33 1) 4143 92 10 **OR CALL (+33 1) 41 43 93 61**

via the



20-12-95

THE WORLD'S DAILY NEWSPAPER

هكذا من الأصل

EDITORIALS/OPINION

Herald INTERNATIONAL Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The Communists Again

Russians Like Voting

Less than five years ago, as Communist Party leaders fled their Moscow offices frantically destroying files as they went, the very survival of the party seemed in doubt. Sadly, Sunday's parliamentary elections erased that doubt. Although a final count will not be available for several days, the Communist Party seems likely to finish with better than 20 percent of the vote, double the nearest rival. That makes it the strongest political force in Russia.

Together with the robust showing by the ultranationalist Liberal Democratic Party, led by the firebrand Vladimir Zhirinovsky, the elections were a reversal for the forces of reform, and an undeniable rebuff to President Boris Yeltsin. His party is running third, with about 10 percent of the vote.

Many Russians, disillusioned by disorder and economic dislocation, plainly want stability and greater financial security. But whether they want the new Russian empire cavalierly promised by the Communists is doubtful.

The Communist resurgence is disheartening, but not calamitous. Political and economic reform in Russia have advanced too far to be brought to a dead stop by these elections. The new State Duma, or lower house of Parliament, will be more conservative than the old, but not much more unified. Unequal in power to the presidency, it cannot force a drastic change in direction unless an opposition coalition can put together a two-thirds majority to overturn Yeltsin vetoes, which seems unlikely. What it can do is slow reform. Through obstruction more than action, the new legislature can force Mr. Yeltsin to continue a drift toward more conservative policies that he began after the last parliamentary election two years ago.

Russians, taught by their own history to expect the worst, are already talking darkly of civil conflict and a return to the violent confrontations between the president and Parliament that shook Moscow in October 1993. Speculation is high that Mr. Yeltsin will cancel next June's presidential election. The same prophets predicted earlier this year that he would cancel the parliamentary elections.

Russia has proved itself capable of political deformity over the centuries, and there is no guarantee against new turbulence. But several points ought to be kept in mind in Moscow and Washington in the days ahead which suggest that this election was a warning but not necessarily a prelude to the end of reform.

To begin with, this was a democratic election, one of the largest in history. More than 60 percent of eligible voters, or about 60 million, cast ballots. Whatever their doubts about the future, they showed their commitment to democracy. When the Bolsheviks, an earlier incarnation of the Russian Communists, came back from near extinction in 1917, their popularity was hardly put to a vote. Nor did the Soviet Communists ever need to assemble a legislative coalition to pass a law.

Moderates remain divided, and at least one reform party lost ground, but the threat of a united front of neo-Communists and nationalists seems premature. The Communist leader, Gennadi Zyuganov, an obscure official in the Soviet era, will find it no easier than other politicians to work with the mercurial Mr. Zhirinovsky. Both have made promises that they cannot keep. Russia lacks the military and economic muscle to rebuild its empire, no matter how much the two men may like to talk about it. The Russian economy, just coming out of a tailspin, cannot be forced back under state control without crashing.

President Yeltsin, for his part, must resist the temptation to resort to authoritarian rule as he deals with a quarrelsome legislature and looks ahead to a presidential election that could put a Communist or nationalist in his Kremlin office. Russians clearly relish the exercise of their voting rights, something that their political leaders will have to accept.

—THE NEW YORK TIMES.

A Broad Reaction

The Communists exploited a broad popular reaction against the hurts and humiliations of post-Soviet change. It's too bad. Gennadi Zyuganov, a former functionary with a cardboard doctorate in Marxist philosophy, alternately poses as a welfare-minded European social democrat and an order-minded Russian traditionalist. His program enshrines nostalgia and recrimination and denies the self-discipline and progressive vision that must undergird effective renewal.

It is suggested that, since the Parliament has strictly limited powers, these elections count more as a barometer of Russia's discontents and a guide to the presidential race next June. But no system pretending to be democratic can ignore the popular currents apparent in a vigorous national campaign that brought out nearly two of every three eligible voters. Two years ago the Zhirinovsky nationalists led the voting. This time it's another party saying "no" to change. It is not that the Communists would go back to a one-party state. But they speak for a reversal of reform — some renationalization, slower privatization, subsidies — and a partial restoration of authoritarianism and empire as well.

The unhappy fact is that Russia's pro-market, pro-democracy political base is wobbly. Westerners savor improvements in governance — the elections, their acceptance. But most Russians ask first what the post-Soviet developments have done for them. The answer, especially the economic answer, is: not enough.

Boris Yeltsin pleaded with voters to reject the Communists. They repudiated his counsel, and potential presidential rivals, including Vladimir Zhirinovsky, Viktor Chernomyrdin, Grigori Yavlinsky, Yegor Gaidar and Alexander Lebed (Mr. Zyuganov is not considered a strong individual contender), now have a parliamentary stage on which to make their next moves. This is politics of a sort, but perhaps closer to Soviet-style intrigue and maneuver than to Western-style open competition.

Russia's politicians must build real parties, with a membership, organization, program and strategy. The politicians cannot ignore the irony that only the Communists, thanks to the structure and habit they inherited, possess the makings of an authentic party now.

—THE WASHINGTON POST.

Relinquish the Notes

Bill Clinton may be moving to avoid a constitutional confrontation with Congress over the Senate Whitewater committee's access to notes taken by a White House lawyer at a Whitewater meeting two years ago that was attended by senior officials and personal lawyers for Mr. Clinton and his wife, Hillary Rodham Clinton. If he relinquishes the documents, it would be a positive departure from the evasive tactics that have marked the Clintons' handling of questions about Whitewater since the 1992 campaign. Mr. Clinton's assertion that the subpoenaed material is protected by lawyer-client privilege, and his quieter claim of executive privilege, are legally dubious and risk setting a damaging precedent.

A forthcoming response to the Senate's request would seem especially timely in view of new disclosures that more records have disappeared from the Rose law firm. These documents deal with Mrs. Clinton's legal work for Madison Guaranty, the failed savings and loan run by their Whitewater partner.

The dispute with the committee involves notes taken by William Kennedy 3d, an associate White House counsel, at a November 1993 meeting at the offices of the Clintons' private attorneys. The meeting was attended by three members of the White House counsel's office, three lawyers for the Clintons and Bruce Lindsey, one of the president's political aides. Lawyer-client confidentiality ought to apply to Mr. Clinton's exchanges with his personal lawyer. But to try to extend the privilege to such a broadly constituted meeting is a stretch, especially given the committee's mandate to find out whether administration officials, including some at the meeting, may have improperly used confidential government information to aid the Clintons' private defense.

Mr. Clinton's various lawyers, and some legal experts, speak of the overlap of the president's public and private roles to justify the claim of lawyer-client privilege. But this argument misses the vastly different and even conflicting responsibilities of Mr. Clinton's two sets of attorneys.

As for executive privilege, it is a distortion of the doctrine's history to raise it to block a legitimate congressional inquiry into the Clintons' Arkansas financial dealings and the official conduct of senior administration aides.

A decent resolution that had the White House handing over the notes should still be possible to make arrangements before Wednesday, when the full Senate is due to take up the matter. If not, the Senate has no choice but to vote to go to court to enforce the committee's subpoena.

—THE NEW YORK TIMES.

International Herald Tribune
ESTABLISHED 1887
KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER
Co-Chairmen
RICHARD McCLEAN, Publisher & Chief Executive
JOHN VINOCUR, Executive Editor & Vice President
• WALTER WELLS, News Editor • PAUL HORVITZ, KATHERINE KNORR and CHARLES MITCHELMORE, Deputy Editors • SAMUEL ABT and CARL GEWIRTZ, Associate Editors • ROBERT J. DONAHUE, Editor of the Editorial Pages • JONATHAN GAGE, Business and Finance Editor • RENÉ BONDY, Deputy Publisher • JAMES McLEOD, Advertising Director • JUANITA I. CASPARI, International Development Director • DIDIER BRUN, Circulation Director.
Directeur de la Publication: Richard D. Simmons
Directeur Adjoint de la Publication: Katharine P. Darton

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France. Tel.: (1) 41.43.93.00. Fax: Circ. (1) 41.43.92.10; Adv. (1) 41.43.92.12. Internet: IHT@iht.com
Editor for Asia: Michael Richardson, 5 Gatehouse Rd., Singapore 1011. Tel. (65) 472-7768. Fax: (65) 274-2334. Mgr. Dir. Asia: Rolf D. Kronenfeld, 50 Gloucester Rd., Hong Kong. Tel. 852-2922-1166. Fax: 852-2922-1190. Gen. Mgr. Germany: T. Schlater, Friedrichstr. 15, 60323 Frankfurt/M. Tel. (069) 72 67 55. Fax: (069) 72 73 10. Pres./CE: Michael Coates, 850 Third Ave., New York, NY 10022. Tel. (212) 752-3890. Fax: (212) 755-8785. U.K. Advertising Office: 63 Long Acre, London WC2. Tel. (171) 836-4802. Fax: (171) 240-2254. S.A. au capital de 1 200 000 F. RCS Nanterre B 732 021 126. Commission Paritaire No. 61437.
© 1995 International Herald Tribune. All rights reserved. ISSN. 0294-8052

Inequality as Usual, but Growing and Remediable

By Benjamin Schwarz

LOS ANGELES — With the wealthiest 20 percent of households receiving a greater and greater share of national income, American society is more unequal now than it was 25 years ago. But this does not mean that the United States is becoming profoundly unequal and rigidly stratified.

It cannot become economically unequal — because it has always been so. The current trend toward greater economic inequality represents not a departure from but an intensification of historical conditions.

This is not to argue that people should be complacent about the rise in inequality. But a deeper historical perspective could help Americans think more precisely about what that trend threatens and what levels of inequality are intolerable.

Americans have always quoted with self-satisfaction Alexis de Tocqueville's observation of the "equality of conditions" in the United States. Yet in 1828, five years before Tocqueville visited America, the richest 4 percent of New Yorkers owned about 63 percent of all corporate and noncorporate wealth in New York City, and by 1845 its share had increased to about 81 percent.

In the small towns and rural areas of the East Coast, the richest 10 percent of the population owned perhaps 90 percent of the wealth. Wealth was most equally distributed on the frontier, but even there, in 1860, the richest 10 percent owned nearly 40 percent of the wealth. By 1890 the richest 12 percent of households owned about 86 percent of the country's wealth.

And although a larger portion of the population acquired a greater share of the wealth in the 20th century, by 1962 the pattern was still far from equitable. The richest 20 percent of households owned 76 percent of the wealth, and the top 5 percent owned 50 percent.

The situation that Herbert Croly described in 1909 as "the morally and socially undesirable distribution of wealth" remained essentially unchanged even in the 1950s and '60s, a period that today is recalled as a golden age of economic equality. The anti-poverty programs of the 1960s raised the poor's share, but it is still smaller than it was in the period from 1910 to 1929.

By recognizing that the inequities in class structure are deeply rooted, Americans can have no illusions that various current reformist proposals, from retraining workers to strengthening unions, will fundamentally alter those inequalities.

Behind these solutions is the belief that growing inequality can be reversed by government programs. This belief is largely belied by data showing an increase in inequality throughout the industrialized world.

The increasing economic inequality is not what is most troubling today. Rather, two distinct aspects of this trend are alarming: the small rise in the income of the middle fifth of American households in the past 25 years, compared with the quarter-century after World War II, and the actual decline in wages and household incomes of those below the median.

The middle class, therefore, is not benefiting from growth to the degree that many commentators believe it deserves to, and the poorest 45 percent of households are not benefiting at all.

To characterize the inequality question in terms of the "shrinking middle class" is misleading. The real phenomenon is the shrinking of a working class able to afford a middle-class standard of living.

Years before talk began of greedy multinational corporations sending high-paying jobs overseas, blue-collar labor had declined as a percentage of the workforce from 60 percent in 1940 to 40 percent in 1965. From 1940 to 1962, the number of low-paid clerical and sales workers rose more than twice as fast as the number of workers in the manufacturing sector. The era of high-paying jobs for low-skilled workers was over almost as soon as it began.

Technology and the re-engineered workplace have not only eliminated the need for many crucial low-skilled, blue-collar jobs, they have also eliminated the need for what could be called low-skill, white-collar jobs — secretaries and middle managers.

If high-paying, low-skill jobs cannot be revived, inequality will not decline unless America produces fewer unskilled workers. As Labor Secretary Robert Reich has been asserting for years, the vast majority of workers could theoretically be better educated to meet the world's growing demand for skilled labor.

In practice this is unlikely to happen, since, according to generally accepted estimates, an effective education and training program would cost more than $170 billion a year. That would require in essence a substantial redistribution of wealth, in the form of taxation, from those who profit from the economy to those who do not.

Such a revolution from the top down, however desirable, looks most unlikely in the current political climate. Even if the resources could be mustered for a national effort to train the unskilled, many would still be unable to perform skilled work. The avenues to a comfortable, if modest, living for those with modest abilities are all but closed.

The central economic fact of the past quarter-century is that the very forces — technological change, flexible production, globalization — that have enriched America's most educated and powerful have actually hurt nearly 45 percent of its citizens. The rise of merchant capitalism in the first half of the 19th century, the triumph of industrialization in the second half and the consolidation of the national economy in the early 1900s worsened economic inequality while bringing general economic benefits.

America's post-industrial economy, on the other hand, has created a society at war with itself, in that one class dreads the very developments that the other class embraces.

Until now, social welfare programs have smoothed the rough edges of a system that indisputably — albeit unequally — benefited all classes. But now that the system itself no longer operates in the interests of all parties, measures that make no essential changes to that system will not have the same effect.

If Americans want what they have never had — the kind of equality that Tocqueville described — then they should recognize that only radical measures can bring it about. A more modest goal would be to restore the link between economic growth and general prosperity.

For all its limitations, the kind of education and training advocated by Mr. Reich to produce more high-skilled workers is probably the best approach to achieving this. For now, the $170 billion price tag makes such a program politically impossible.

Someday, a glimpse of the alternative — a society that unravels because half its citizens are at best demoralized and at worst enraged — may convince us that it is not such a high price to pay after all.

The writer is a senior fellow at the World Policy Institute. This article was adapted by The New York Times from an essay in the winter issue of World Policy Journal.

Together We Need Balanced Counsel to Guide Our Sovereignties

By Georges Berthoin

PARIS — As France slowly emerges from three weeks of paralysis, a number of observers have read in the country's turmoil a warning whose significance extends far beyond French borders.

This month's mostly public-service strikes do reflect at bottom a widespread reaction against a growing internationalism, both European and global, which is perceived as destroying the traditional balance between common good and individual gains.

In France as in so many other industrialized countries, the onslaught of a worldwide economic jungle appears to many of our citizens to threaten civilized social relationships.

And yet, today's internationalization must be recognized for what it is: a fact of life. To ignore it is tantamount to choosing isolation, backwardness — and, for our democratic societies, the perils of what can only be called "social nationalism."

If we fail at this point to engineer at the international level the kind of balance which has for centuries been at the heart of all viable counties, civilizations and religions, we will be planting the seeds of the wars of the 21st century.

What is to be done? Merely to ask this is to question the role of government — that quintessential clearing house between what is desirable and what is possible.

Today, most national governments clearly see that a better organized world is desirable. The way to make this possible eludes them — because, by definition, they address increasingly global problems from the vantage point of national sovereignty.

There is no denying the legitimacy of national sovereignties. But there is no denying either that, faced with the shared challenges of globalization, what we truly miss is an institutional setup which can, independently and in a legitimate and democratic way, represent the common good.

The required setup should not be thought of as a supranational one that would somehow go over the heads of national governments. Nor should it be international — for that would mean accepting in advance the effective veto of national sovereignties whose inherent function is not to define the common good but to represent the national interest.

Hence the need to conceive, outside yet not above national sovereignties, a truly extra-national institution. Created by treaty and answerable to a body not unlike the UN General Assembly or the European Parliament, such an institution would have the authority to formulate the common interest in an independent fashion, and the mandate to issue specific proposals accordingly and for all to see.

National sovereignties would then find themselves in a position to react, much more freely, to clearly defined common interest — a common interest which is no longer the diktat in disguise of this or that superpower or group of countries, but is independently arrived at, and in which everyone can therefore recognize parts at least of his own interest.

The old European Community is an instance in which such a practice was introduced, gradually and pragmatically, over almost 50 years. The EC system started with a supranational approach, but it soon became clear that ignoring the national dimension would be artificial and dangerous.

That is when the proper level was found at which political decisions could be made thanks to a dialogue between an independent common institution — the Commission, empowered to issue proposals — and an inter-governmental institution which decides. That interface between the two entities — the national sovereignties regrouped, and the common interest — enables a community to move in the right direction.

Clearly, governments today must be made aware in a timely and independent fashion of the trends and challenges of globalization. From the United Nations secretary-general to the OECD, a host of institutions do exist to perform this task. But they are not properly empowered to propose.

More than creating new structures, the point is therefore to give existing institutions the necessary legal authority to come up with proposals that have to be taken into consideration by governments. Only thus can governments adapt their national strategies to the global facts of life, and prepare their pubic opinions for the challenges at hand and the required transitions.

In its own way, the latest French crisis is an illustration of this need. Not having been compelled to take into sufficient consideration the new facts of life, either Europe-wide or worldwide, governments find themselves obliged to rush into a host of brutal corrective measures that often prove indigestible for their societies.

In short, this extra-national institutional perspective, on a regional or global basis, would help governments to govern better. If it is not soon developed, they will find it increasingly difficult to govern, and to keep their legitimacy in the eyes of their peoples.

Isn't this how the United Nations, the European Union and other regional organizations should be reformed?

The writer, who was an aide to Jean Monnet, was chairman of the European group of the Trilateral Commission from 1975 to 1992. He contributed this comment to the International Herald Tribune.

While ASEAN Advances, APEC Is Slowing Down

By Philip Bowring

HONG KONG — The Association of South East Asian Nations continues to surprise the skeptics with its dynamism.

Like all summits, the ASEAN one just ended in Bangkok had its fair share of empty rhetoric. But the group's continued progress on trade liberalization, adoption of a treaty banning nuclear weapons from the region, and moves toward eventual entry of Burma, Laos and Cambodia represented substantive advance in members' attempts to broaden and deepen regional economic and political cohesion.

All this stands in contrast to the APEC (Asia-Pacific Economic Cooperation) summit in Osaka last month which singularly failed to put any flesh on the 2020 free trade agenda declared at Bogor a year earlier by an all-star cast headed by the leaders of the United States, China, Japan and Indonesia.

The failure of APEC to be anything more than a talking shop and photo opportunity is a warning to ASEAN not to try to be all things to all people, and a reminder that political and economic objectives are not always compatible. Indeed, the desire both to enlarge the body and, with the anti-nuclear treaty, give it a strategic dimension is seen in some quarters as possibly diverting energies away from its trade agenda — an ASEAN Free Trade Area by 2003.

The Bangkok meeting had rather mixed results on the trade front. Liberalization of services is being speeded up, but there is no real progress toward free trade in farm products. ASEAN, most of whose members have trade-oriented economies, could fall behind some other regions, including Latin America, in trade opening.

Vietnam's recent joining of ASEAN was desirable from the perspective of regional solidarity — particularly in relations with China — but, even with the adjustment allowances it will be given, Vietnam will be a drag on economic integration.

The next two candidates, Laos and Cambodia, are small enough, and already quite integrated with larger neighbors, not to be a problem when they join, probably in 1997. But Burma — for which there is as yet no timetable — will be even more difficult to digest than Vietnam.

Skeptics will say the Nuclear Weapons Free Zone declaration is of no more practical use than the declaration of a Zone of Peace, Freedom and Neutrality by the original ASEAN five in Kuala Lumpur in 1971. Then as now, most members had close if informal military ties to America.

However, by including members' 200-mile exclusive economic zones in their definition of the nuclear zone, they have sent a particular message to China, whose sea and island claims in the South China Sea extend well into ASEAN economic zones.

While ASEAN makes practical advances, APEC looks good on paper but is marginal to the real world of trade and investment in the regions it embraces. Proponents point to the progress made by most APEC members in bringing down barriers to trade and investment. They point, for instance, to President Jiang Ze min's announcement in Osaka of a major trade liberalization package. But APEC was not the cause of any liberalization.

In China's case, Mr. Jiang chose Osaka because it afforded him maximum publicity. It was not to honor APEC but to improve China's chances of early entry into the World Trade Organization. Other liberalizations are owed to the completed Uruguay Round, or to U.S. bilateral pressure, or to hopes of joining the OECD (South Korea) and the WTO (Taiwan). Others are owed to the ASEAN Free Trade Area, or the North American Free Trade Agreement, or just to enlightened self interest.

APEC's economic irrelevance is underlined by the fact that Malaysia, which is heavily dependent on trade, is the least enthusiastic about it.

Mahathir Mohamad may be venting his irritation at U.S. opposition to his all-Asian East Asia Economic Caucus proposal. But the Malaysian prime minister is not one to throw away economic opportunities for his country.

Others share Malaysia's skepticism but find it politic to keep quiet. Asian members mostly take no notice at all of Latin American membership.

APEC's other goals are equally vague, as perhaps indicated by U.S. Defense Secretary William Perry talking about the possibility of APEC becoming a security organization. The truth is that the United States began by ignoring APEC, then saw a need to counter the EAEC and use APEC as a forum for free trade rhetoric. Meanwhile, it pursues substantive issues either bilaterally or through the WTO.

The dreamworld quality of APEC aims was demonstrated by the discussion of agriculture in Osaka. The meeting eventually came up with a meaningless formula that all could swallow. But if even small groups like the ASEAN Free Trade Area, most of whose members are farm exporters, cannot agree on free trade, what hope is there in the vastly more diverse APEC?

Does anyone seriously imagine that China, which has been obsessed with food security for millennia, will put its grain prices entirely at the mercy of international markets?

The lesson of the Osaka and Bangkok summits is that realistic trade agendas for all members of APEC will be either in the global forum of the WTO or in smaller arenas like AFTA and NAFTA. That is as it should be.

International Herald Tribune.

Snarling Around the Quiet Center

IS THERE any longer a center in American politics? The symptoms of political anarchy are abundant.

Yet the leading contenders in the 1996 presidential contest, Bill Clinton and Bob Dole, are centrist politicians. Mr. Clinton's first term has seen him in a constant struggle with the centrifugal forces in American politics. Mr. Dole might well face the same frustration if he were in the White House.

The '90s so far look to be a time when the disruptive devices, the tools for stopping government, are far more effective than the mechanisms of conciliation and compromise.

Campaigns are dominated by negative ads. Lobbyists have quick recourse to electronic intimidation schemes — faxes, phone calls and sometimes faked flurries of messages — to stop legislation that poses a threat to their clients.

And more and more issues seem to polarize politicians.

In this environment, it becomes harder and harder for leaders to function. It is less and less attractive for them even to remain in office and try. Lyndon Johnson, when he was Senate majority leader, liked to invoke Isaiah: "Come, let us reason together." Today, senators like George Mitchell, Alan Simpson, Bill Bradley, Nancy Kassebaum, Sam Nunn and Hank Brown, people who instinctively seek solutions, are leaving early, discomfited by the meanness in what once was called "The Senate Club."

But the impulse to seek and claim the center still runs strong. A group of disaffected Democrats, Republicans and independents (including such past presidential hopefuls as John Anderson, Gary Hart and Paul Tsongas) are chatting about their own effort to find common ground. The atmosphere has been poisoned, but the search for the sensible center still goes on.

— David S. Broder, in The Washington Post.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1895: Russian Gains

PARIS — [The Herald says in an editorial]: Russia came to China's rescue when she was hard pressed. It is only just that China should help Russia to bring to a successful end an undertaking that will change the entire aspect of the Far East. The hard part will be that China will hardly benefit. And Europe's interests are also menaced by the enforced gratitude of the Celestials. But Russia pays no heed, and with a railway running through Manchuria, she will be mistress of the situation. With the consequent rapid development of her commerce will come an equally rapid increase of her navy. Will she then sweep the seas?

1920: Union Supported

BERLIN — Dr. Michael Hainisch, Austria's new President, is a partisan of union with Germany. "The feeling that we belong to the German nation," he told the Vienna correspondent of the "Berliner Tageblatt," "remains the same through all our present sufferings. Our one pleasure is to preserve cultural relations with our brothers beyond the frontier. Our one hope is that these relations may be extended."

1945: Code Era Ends

FRANKFURT — Americans in Europe are witnessing the end of an era. It is the era of code names, most of them whimsical. As it expires gradually, military units are emerging under their own names, airports are being identified again by their names, and geographical locations and headquarters are identifiable for what they are rather than by some descriptive or humorous tag. Some of the famous code names will probably endure forever. General Patton's 3rd Army will always be "lucky" and to military men the fighting 1st Division will go down in history as "Danger."

OPINION/LETTERS

This Way, Juppé: In U.S., The Government Strikes

By A. M. Rosenthal

NEW YORK — Americans really have to feel sorry for the French. They just don't have a clue how to run a country during a budget crisis. Over there the people, millions of them, go on strike against the government. The American way is that the government goes on strike against the people.

The American way is far better, anybody can see that. First, it takes only a handful of people, politicians in Congress and the White House, to get the job of shutting down the government done.

Second, the streets don't get all clogged and messy, so there is no garbage to clean up.

Third, not too many people get hurt to make it very risky for politicians. Tourists, who can't get into museums or national parks, should be at home anyway, watching a football game or something.

The federal employees who lose paychecks can go see the president's Christmas tree and get all snuggly at the idea that he is paying for the electricity himself.

Maybe if the shutdown goes on he will consider paying rent for his family's personal quarters. Maybe members of Congress will charge themselves for office space. Maybe they will all evict themselves if they cannot get up the cash. That would be excellent burden-sharing.

And here is the beautiful part of doing it the American way: In a relatively short time and without having to call out the cops or the garbage collectors, the government strike against the people will have accomplished its purpose.

Breathes there an American with mind so dead as not to understand what is going on: shutting the government to make the other side look mean, stupid and the enemy of the people as the presidential election campaign is really getting going?

Of course not. We know the government was shut down not because of money or deep principle left unsettled but for political advantage.

Money: There is a gap of about $400 billion over seven years between the hardest Republican position and the official Clinton response, which is not chewing gum. But Washington knows that the gap will narrow after the government shutdown.

As for principle, the president, turning this way and that, has wound up giving the Republicans much of what they wanted: a balanced budget with a deadline, the surrender to the states of control over welfare and other parts of the budget, tax cuts and recognition of the need for Medicare change.

Now he is left with the matter of Medicaid. If he surrenders on the need and right of poor people — just plain poor, you understand, not immigrants, welfare recipients or other such miserable specimens of humanity — he will have jettisoned not just the poor but his own political honor.

But about the shutdown, Congress and the president are not talking either bottom-line money or unshakable principle. There is no end of legislative devices that would allow them to do the sensible thing: arrange for funds to keep the government going while they argue over money and principle.

That approach, in case you forgot, is known as democracy, problem-solving, conciliation, common sense, judgment, words like that.

Many of them are taught, I believe, in schools that still have courses in civics, excuse the expression.

And for a couple of hundred dollars a day, the government could hire a mediation expert to do the job, maybe one of the nonessential people who have been shut out of their federal jobs.

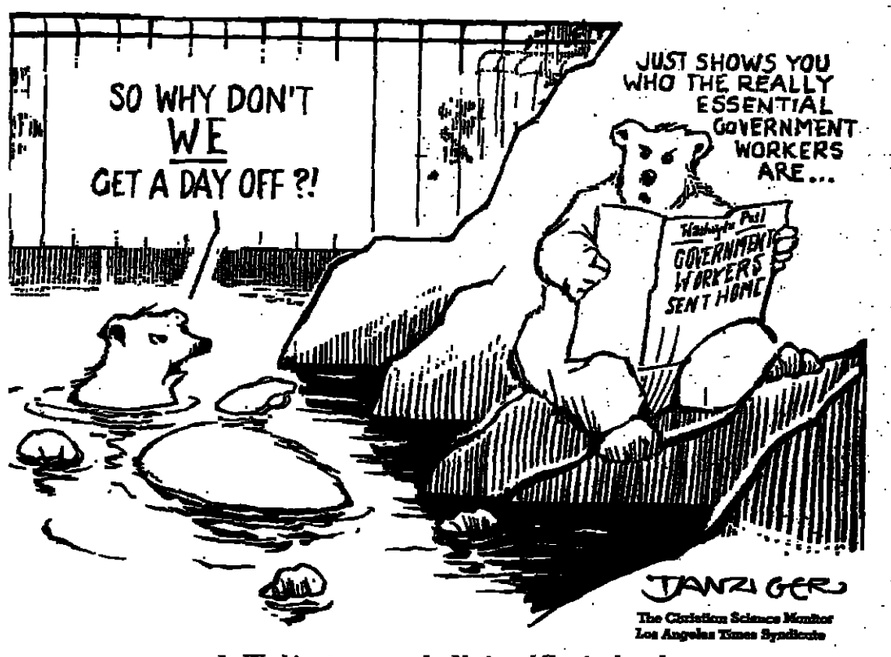
Now: Breathes there an American with soul so dead as not to boil with rage against Congress and the White House for making such a clown out of the American government system?

Obviously yes, tens of millions of us.

Otherwise the fortunes that politicians spend for polls to keep their sticky fingers on our political pulse would have told them to watch out, that Americans would turn hard against the party that squeezes the last drop of dignity out of government, and give their votes to the party that shows any sign of political adulthood.

If I were a foreign correspondent in the United States, I would write about this government's strike against its people, not as an economic story but as a kind of style piece, the latest happening in the growing American passion for self-mutilation.

The New York Times.



In Washington, even the National Zoo is closed.

Non-Ink-Stained Wretches Get the Blue-Collar Blues

By Richard Harwood

WASHINGTON — Journalists from 21 cities gathered in Washington in 1933 to form a labor union. The Great Depression had taken hold. Nearly 13 million people were unemployed — 38 percent of the nonfarm labor force. That unemployment percentage today would mean 50 million people out of work.

You could hire a cub reporter in Wisconsin in that era for $6 a week.

MEANWHILE

On suburban papers around the United States, a fairly common wage was $1 a day. In the big cities, 75 percent of the reporters earned less than $4,000 a year.

"As a citizen, a workman, a human being," a Boston editor wrote, "the journalist is nothing but a wage-earning servant, as impotent and unimportant ... as a mill hand." Out of these conditions the Newspaper Guild was born.

It's a different world now. I went into the business in 1947 at $25 a week. The impossible dream of the Guild at that time was a minimum wage of $100 a week for experienced reporters, editors and photographers. Today, entry-level wages are not mind-boggling — $20,000 or so a year on average. But on the big papers, $1,000 a week as a minimum for experienced people is not uncommon, thanks largely to the Guild.

Other things have changed. In years past, the Newspaper Guild, supported by its blue-collar brothers and sisters — the printing trades — could strike and shut down newspapers as a major bargaining weapon. Today, that weapon has lost much of its sting. Computers have made most of the printing trades obsolete. Reporters and editors can set type with a keystroke. Wire services and nonunion employees can fill up blank pages with news.

During a failed strike at The Washington Post 20 years ago, Katharine Graham, the paper's publisher, worked in the mail room bundling papers for distribution. In an earlier strike, I was in the management cadre of 19 newsroom people who put out the paper every day. The normal newsroom complement was about 600. Many readers apparently were unaware a strike was on. A few of them claimed the paper was getting better. They were wrong, but the presses rolled.

We are seeing this today in Detroit, one of the great union strongholds of America. The city's two newspapers, owned and operated jointly by the two largest chains in the United States — Gannett and Knight-Ridder — continue to publish despite a union strike that began last summer. John Morton, a newspaper analyst, told The New York Times: "This is probably the last big urban newspaper strike."

Half of the Guild members have returned to work. Others have been replaced — perhaps permanently — by new hires: "scabs" and "strikebreakers." This is possible under court rulings that deny companies the right to fire strikers but allow them to hire "permanent replacements."

In the old days if you were fired or "permanently replaced," you could walk down the street with a good chance of a job at one of the other local dailies. But no longer. There are no other dailies in 99 percent of U.S. cities, Detroit included.

In the newspaper industry, union strength has been decimated by technological displacement in the blue-collar ranks. The International Typographical Union had 120,000 members in 1968. The membership today is 25,000.

The Guild's members up to now have escaped the technological bullets that brought down the printers. Its membership of 30,000 to 35,000 has remained more or less constant for nearly 30 years.

But it cannot be bullish about its future. Newspapers continue to die off; 200 have gone under in the last 20 years. And in the search for greater efficiencies and profits, the surviving papers are now extending buyout offers to the white-collar labor force.

The results of the industry's new cost-cutting schemes are not in. But they have already had an impact on the morale of newsroom workers who, up to now, generally have enjoyed the kind of tenure we associate with government employees, schoolteachers and college professors. They are beginning to suffer the anxieties and insecurities, the trade journals tell us, that have infected assembly lines and white-collar departments throughout our industrial society.

As these anxieties spread through the economy, it seems inevitable that there will be political reverberations affecting journalists and the pictures of the world they carry around in their heads and pass on to the rest of us.

The Washington Post.

LETTERS TO THE EDITOR

No Triumph

Regarding "Europeans and Americans Plan to Be Doing a Lot More Together" (Opinion, Dec. 13):

Of course it is to be welcomed that the Clinton administration has finally acknowledged America's unique position and attendant responsibilities. But to cite the Dayton agreement as heralding a new era of successful trans-Atlantic cooperation and policy-making is to brutalize the facts; both France and the UK are seething. For three long years, the Clinton administration distanced itself while British and French troops risked and lost their lives.

To then jump in as "peacemaker" after the Croatian-Bosnian summer offensive had so changed the facts on the ground, and pressure from the U.S. Congress had so changed the political realities at home that it had no choice, is clearly to be seen as unprincipled opportunism, not partnership. While the diplomacy was superb, the results are shameful.

To herald Dayton — which partitioned a sovereign state, legitimized the effects of ethnic cleansing and treated acknowledged war criminals as peacemakers on an equal moral footing with their victims — as a triumph is to evidence either an appalling historical ignorance or a breathtaking lack of shame, or both. The last time Europe witnessed such a "triumph" it was called Munich.

JOHN W. WOOD.
London.

The author is co-chairman of Republicans Abroad.

A Docudrama

Regarding "Twisting Historical Facts to Make Ratings History," (Opinion, Nov. 28):

In presenting examples of propagandistic "docudrama," how could William Safire overlook "All the President's Men"? He was there, wasn't he?

JOHN FIRTH.
Ste. Colombe-sur-L'Hers,
France.

Ban Land Mines

Regarding "GIs Must Tread Lightly in a Land of Lethal Mines" (Dec. 13):

After 200 UN peacekeepers have been killed or maimed by land mines in Bosnia, it beggars belief that both the British and U.S. governments can still consider anti-personnel mines "legitimate" weapons of war.

The tragedy of land mines and their civilian cost will be seen in Bosnia now that peace is coming. Britain and the United States, which will have some of the largest contingents there, should act now to ban these weapons at the ongoing review of the Inhumane Weapons Convention, outlawing them forever.

TIM CARSTAIRS.
London.

The writer is coordinator of the UK Working Group on Landmines.

BOOKS

THE DECLINE AND FALL OF THE HOUSE OF WINDSOR

By Donald Spoto. 474 pages. $27.50. Simon & Schuster.

Reviewed by Carolyn See

SO many books have been written about the hapless House of Windsor! So many of them have been fun to read, even though you feel slightly queasy afterward, as if you'd eaten too much grilled salmon or too many chocolate chip cookies. Books about the royal family are an odd mix of prurience and culture, a strange cross between the movie magazines of the '40s (did Glenn Ford really enjoy his love scenes with Rita Hayworth?) and Vanity Fair (can they really think up another way to show Demi Moore without her clothes on?).

Donald Spoto has found the perfect tone to retell these same old stories. He's gentle, mostly forgiving and delightful. After devoting just a page or two to people who've totally slipped our memory, he begins with Queen Victoria, who started out plump and just got plumper, who was crazy about Prince Albert, and who loved the marriage bed but had mixed feelings about its consequences. She knew she had to have children but thought pregnancy was a big waste of time.

We soon see that in this family the women live long and work hard; the men fritter away their lives on idleness, chain-smoking, heavy drinking, and so die young. Poor Edward VII waited and waited for Victoria to die and then had only a few years to reign as king. Spoto makes much of the fact that Edward was given nothing to do as Prince of Wales, so he was bored to distraction and fell in with bad companions. The larger truth might be that even after you become king (or queen) in England, there's still nothing to do. I once saw Queen Elizabeth II and Prince Philip as they made an appearance in Oxford at a Rhodes Scholars' reunion. A wall between Wadham College Garden and Rhodes House had been knocked down at great expense so Her Majesty wouldn't have to walk a block on public sidewalks. The queen and prince took a walk in front of scholars for 45 minutes. Is this a job?

The author surveys the matter of the monarchy all over again, with charity and loving attention to wacky detail. For instance, at the marriage of Princess Mary, daughter of George V, to Henry, Viscount Lascelles, in 1922, Spoto describes Lascelles as "a dismal bloodhound" and reminds us that "perhaps the most memorable moment of their very grand wedding and reception occurred when the nearsighted novelist E.M. Forster bowed deeply to the cake, taking it for Queen Mary." And Spoto doesn't stop with just the British royals. He states that Marie of Romania had "a predilection for leaving notes in various rooms of her palace declaring 'Marie of Romania-one of the most wonderful women in the world. A woman like that is born once in a century.' "

It's a mystery, defining what it means to be "royal" in a century where, in the Western world, royalty does not rule. They're being "trained" all the time, but trained to do what? Spoto again lays it out for us: Victoria ruled forever, practically speaking; the charming Edward VII for only nine years; then George V from 1910 to 1936. George V was as crabby as the meanest construction worker lying in the cheapest Barcalounger working on a 12-pack! He scared his sons witless, so no wonder that particularly puny Prince of Wales didn't want to be king and ran off with Wallis Simpson instead!

Then as we all know, came his brother, George VI, with his chipper wife who drank her way through royal lunches at about 12 glasses a crack but kept smiling (and still keeps smiling) and gave birth to Elizabeth and Margaret, the dutiful queen-to-be and the rebellious hard-luck princess.

Spoto all but ignores the present generation; they seem too low for him to even bother with. Read this history again, as if for the first time. You'll be happier about your family and about your own life.

Carolyn See reviews books regularly for The Washington Post.

BEST SELLERS

The New York Times

This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on list are not necessarily consecutive.

FICTION

This Week		Last Wk	Weeks on List
1	THE CHRISTMAS BOX, by Richard Paul Evans	2	7
2	FIVE DAYS IN PARIS, by Danielle Steele	1	3
3	THE LOST WORLD, by Michael Crichton	3	11
4	SILENT NIGHT, by Mary Higgins Clark	4	9
5	POLITICALLY CORRECT HOLIDAY STORIES, by James Finn Garner	5	9
6	THE CHILDREN'S BOOK OF VIRTUES, edited by William J. Bennett. Illustrated by Michael Hague	6	6
7	THE HUNDRED SECRET SENSES, by Amy Tan	8	7
8	THE HORSE WHISPERER, by Nicholas Evans	7	13
9	MORNING, NOON AND NIGHT, by Sidney Sheldon	9	13
10	THE CELESTINE PROPHECY, by James Redfield	10	94
11	COMING HOME, by Rosamunde Pilcher	12	15
12	A CUP OF CHRISTMAS TEA, by Tom Hegg		8
13	THE FINAL JUDGEMENT, by Richard North Patterson		1
14	THE ISLAND OF THE DAY BEFORE, by Umberto Eco	11	4
15	BEACH MUSIC, by Pat Conroy	13	22

NONFICTION

1	THE ROAD AHEAD, by Bill Gates with Nathan Myhrvold and Peter Rinearson	4	2
2	MISS AMERICA, by Howard Stern	2	4
3	CHARLES KURALT'S AMERICA, by Charles Kuralt	3	7
4	MY AMERICAN JOURNEY, by Colin L. Powell	1	12
5	DAVID BRINKLEY, by David Brinkley	5	5
6	MY POINT...AND DO I HAVE ONE, by Ellen DeGeneres	7	15
7	EMOTIONAL INTELLIGENCE, by Daniel Goleman	6	11
8	SISTERS, Essays by Carol Saline. Photographs by Sharon J. Wohlmuth	8	51
9	A SIMPLE PATH, by Mother Teresa, Compiled by Lucinda Vardey	11	3
10	RETURN WITH HONOR, by Scott O'Grady	10	3
11	LINCOLN, by David Herbert Donald	9	7
12	A GOOD WALK SPOILED, by John Feinstein	13	26
13	DAYS OF OUR LIVES, by Lorraine Zenka	12	4
14	ALL I KNOW ABOUT ANIMAL BEHAVIOR I LEARNED IN LOEHMANN'S DRESSING ROOM, by Erma Bombeck		4
15	MINDHUNTER, by John Douglas and Mark Olshaker	14	4

ADVICE, HOW-TO AND MISCELLANEOUS

1	MEN ARE FROM MARS, WOMEN ARE FROM VENUS, by John Gray	1	134
2	THE SEVEN SPIRITUAL LAWS OF SUCCESS, by Deepak Chopra	2	39
3	THE MARTHA STEWART COOKBOOK, by Martha Stewart	3	4
4	DAVID LETTERMAN'S BOOK OF TOP TEN LISTS, by David Letterman, Steve O'Donnell, et al	4	8

GOVERNO DO ESTADO PARANÁ — COPEL

SALTO CAXIAS HYDROELECTRIC PROJECT IGUAÇU RIVER
INTERNATIONAL BIDDING C-206
HYDROMECHANICAL EQUIPMENT FOR RIVER DIVERSION CALL FOR BIDS

COMPANHIA PARANAENSE DE ENERGIA-COPEL, informs that an international bidding is opened for design, supply, shipment, erection supervision and operation start-up of fifteen (15) slide gates and two (2) wheel gates for river diversion and two (2) complete wheel gates for compensation water of Salto Caxias Powerplant, located at Capitão Leônidas Marques and Nova Prata do Iguaçu county border, in the States of Parana - Brazil.

This lowest price type international bidding is opened to individual companies or joint ventures.

The amount of costs related to this supply will be covered by COPEL's own resources.

The Bid Documents will be available to bidders from December 15th, 1995 till January 31st, 1996 against payment in Brazilian currency of R$ 150,00 (one hundred and fifty Reais), at the following addresses:

• Superintendência de Obras de Geração
Rua Voluntários da Pátria, 233 - 5º andar - sala 504
80020-000 - Curitiba - PR
Phone (55-41) 322-1212 - Ext. 5541
Fax (55-41) 331-4155

or

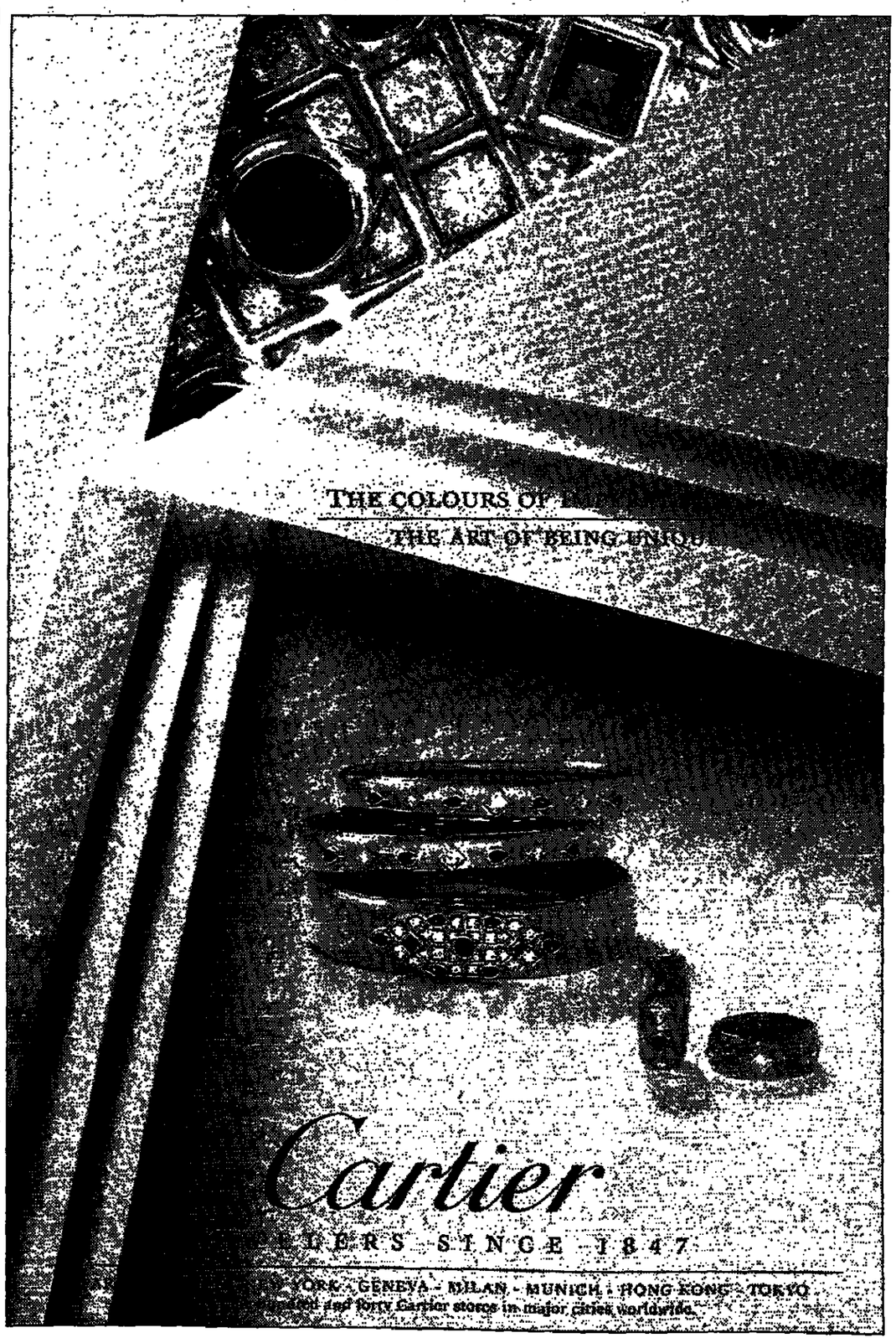
• Escritório COPEL/São Paulo
Alameda Santos, 1800 14º andar - conj. 14B
01418-200 - São Paulo - SP, Brazil
Phone (55-11) 289-1431
Fax (55-11) 288-3929

At the time of Bid Documents purchase, all companies present a letter containing name department of the person for contact and complete mailing addresses.

The receipt of the Qualification and Bid Documents is scheduled for March 1st, 1996, at 3.00 PM., at COPEL's office meeting room, in Curitiba, Rua Voluntários da Pátria 233, ground floor.

The Bidding will be ruled by Law No 8666, dated June 21, 1993, and by other conditions stated herein and in the Bidding Documents.

COMPANHIA PARANAENSE DE ENERGIA



هكذا من الأصل

STAGE/ENTERTAINMENT

Nixon's Family Denounces Stone Movie as 'Character Assassination'

By Bernard Weinraub
New York Times Service

LOS ANGELES — Two days before the release of Oliver Stone's film, "Nixon," about the life and career and of Richard M. Nixon, the late president's family issued an angry statement terming portions of the movie "reprehensible" and saying it was maliciously designed to "defame and degrade President and Mrs. Nixon's memories in the mind of the American public."

A statement released Monday by the Richard Nixon Library and Birthplace in Yorba Linda, California, said Stone's movie was nothing less than a "character assassination" of the 37th president.

The statement, ascribed to "the Nixon family" and the library and birthplace foundation, said the criticisms were based on a reading of the screenplay that has been published by Hyperion, which is owned by Walt Disney Co. Disney is also releasing the film.

It was the first comment made by Nixon's daughters, Tricia Nixon Cox and Julie Nixon Eisenhower, and their husbands, about a film that is already generating controversy because of its depiction of the president.

Monday's statement was obviously designed to place the family on the record and end any speculation about their views.

Although Stone has said the film portrays Nixon as a tragic figure, it also presents an unsparing picture of a tormented man who enjoyed drinking and whose relations with his wife were strained.

Moreover the film asserts that Nixon, as vice president, played a role in government efforts to assassinate Fidel Castro, the Cuban leader. Perhaps the most controversial element in the film is the depiction of Nixon as participating in the planning of an assassination attempt on Castro that unwittingly created the forces that later killed President John F. Kennedy.

In contrast to Stone's most controversial movie, "JFK," which claimed that President Lyndon B. Johnson and others were involved in the Kennedy assassination, the new film makes no such assertion about Nixon.

After the release of "JFK," neither the Johnson family nor Kennedy family had any comment about the movie, although numerous historians, journalists and former government officials attacked Stone's view of history.

In the statement, the family said that Stone waited until the deaths of Mr. and Mrs. Nixon "expressly to prevent their asserting their rights under the law." The statement said that Stone and his collaborators, Stephen J. Rivele, Christopher Wilkinson and Eric Hamburg, "concocted imaginary scenes of the Nixons' private life, Richard Nixon's family life as a boy and a young man and his public life that are calculated solely and maliciously to defame and degrade President and Mrs. Nixon's memories in the mind of the American public."

The statement added: "The published script also contains passages which state erroneously and maliciously that Richard Nixon was responsible for United States government plans to assassinate Fidel Castro and which state erroneously and maliciously that he believed the apparatus he is alleged to have created for that purpose was ultimately turned against John F. Kennedy."

THE charge that Nixon "had any knowledge of, and indirect moral and operational responsibility in, the murder of the 35th president of the United States is so reprehensible that it should render wholly illegitimate any text of narrative in which it is contained," the statement said.

The statement itself referred to the Nixon family, but Kevin Cartwright, a spokesman at the Nixon foundation, said this meant Mrs. Cox and her husband, Edward, and Mrs. Eisenhower and her husband, David.

Cartwright said Nixon's daughters had not seen the film but were basing their criticisms on a reading of the published script.

Responding with a statement of his own, Stone said: "While I understand the distress that any effort to examine the life of Richard Nixon might create for his family, our purpose in making the film 'Nixon,' was neither malicious nor defamatory."

The aim of the film, he said, was to attempt "a fuller understanding of the life and career of Richard Nixon — the good and the bad, the triumphs and the tragedies, and the legacy he left his nation and the world."

Twilight of the Gods and Mankind

By Paul Moor
International Herald Tribune

BERLIN — The Wagnerian Holy of Holies in Bayreuth and the German State Opera here have traditionally enjoyed a close association. In 1988 the annual Bayreuth Festival offered a new production of Wagner's massive tetralogy "The Ring" conducted by Daniel Barenboim and staged by Harry Kupfer from Berlin's Komische Oper. Barenboim, meanwhile head of the German State Opera, and Kupfer have now, with "Götterdämmerung," almost completed this house's first new "Ring" in almost 40 years.

Both the Rhine and the forest Wagner designated have disappeared; the plethora of German operatic productions leaves stage directors hard put to avoid retracing paths already overexplored. Kupfer and his designer, Hans Schavernoch, have chosen to evoke psychological associations relating the twilight of the Germanic gods to our own world and era.

In the distance one sees the unmistakable skyscrapers of nighttime Manhattan. The fate-weaving Norns uncertainly finger the insulation of what look like electric cables. Hagen's watchtower features three imposing satellite antennas. The Rhine seems paved over, leaving Wagner's Rhine maidens, almost resembling floozies, to peek out of air shaft hatches.

Siegfried, even more the nature boy than usual, wears the most casual of jeans, T-shirts, open shirts and waffle-stomper hiking boots. Brünnhilde appears as a booted and almost crewcut red-headed Amazon.

In apparent allusion to post-reunification Germany, the Gibichungs, although expensively caparisoned (Reinhart Heinrich), look already down-at-heel but definitely nouveau riche — Gutrune, a peroxide blonde in a low-cut white gown, drapes a flashy double-length arctic fox fur piece over one shoulder.

Barenboim conducted the opening performance with both passion and largesse, rarely permitting the six-hour performance to slacken. As usual, Kupfer keeps his performers almost excessively in motion, but displays his customary imaginative touches of enhancing character delineation.

KUPFER also, as usual, plays fast and loose with the composer's unequivocal stage directions. At the end — of not only the gods but apparently also of all humankind — Alberich regains possession of the gold ring, only to see it (in allusion to B. Traven's "Treasure of the Sierra Madre"?) disintegrate into dust. At the last moment two mute children enter and plant a little sort of tree downstage, but its charred lifelessness hardly foretells a sanguine future.

Siegfried Jerusalem (Siegfried) got a shouting ovation at the opening performance, Deborah Polaski (Brünnhilde), a shouting, stomping ovation — a rare demonstration in Germany. For Barenboim, the customary few top-balcony boos merely invigorated the dominant bravos, and he remained long onstage, grinning and impishly waggling his fingers in salute to his adversaries up in the cheapest seats.

John Tomlinson (Hagen), Eike-Wilm Schulte (Gunther), Günter von Kannen (Alberich), Ulla Gustafsson (Gutrune), and Rosemarie Lang (Waltraute) all delivered top-caliber performances. A fortuitous matter of stature enhances the relationship between Brünnhilde and the weakling Gunther: Strapping Polaski not only literally looks down on him, but at one moment she plants her right palm across his face and gives him a shove that sends him reeling.

The international ensembles traditionally embellishing Germany's opera houses face a grim new problem. A 1996 decree will hike foreign guests' German income tax from 15 percent to as much as 53 percent, and opera directors have braced themselves for an inundation of the "sudden indispositions" legally permitting such artists to escape extant contractual obligations.

Barenboim and Kupfer will complete their Berlin "Ring" with "Das Rheingold" when the cycle gets its first integral performance between March 31 and April 8, with a box-office top of about $343 — not per cycle but per opera — candidly aimed not at Berliners but at well-heeled tourists.

'La Bohème' for the Holidays

By David Stevens
International Herald Tribune

PARIS — What better choice for the Paris Opéra's year-end entertainment than Puccini's "La Bohème"? It takes place in Paris and (for the first two acts) on Christmas Eve.

And it is almost the centenary of the work's first performance, Feb. 1, 1896, in Turin, under the direction of the young Arturo Toscanini.

"La Bohème" is so indestructible and so seemingly natural that it is easy to overlook the genius of Puccini's melodic expressiveness applied to a conversational text that goes by so quickly that many of the best moments become apparent only on repeated hearing.

The first of the two casts that will be alternating through Jan. 23 is close to ideal, with Leontina Vaduva and Roberto Alagna as a Mimi and Rodolfo of surpassing lyric splendor and youthful spontaneity. James Conlon, the house's designated chief conductor, made an auspicious first appearance in the Bastille pit, firmly in control of a score that is, after all, dense in musical events.

Jonathan Miller's production, which the Bastille is sharing with the Teatro Comunale of Florence, moves the action up to the 1930s, made clear by the Jean Harlow movie poster on the wall. Dante Ferretti's sets and Gabriella Pescucci's costumes fit in with the Front Populaire atmosphere, but are nowhere near shabby enough to be convincing representations of bohemian poverty.

The shift in time inevitably creates some anomalies. The Act 3 Barrière d'Enfer — one of Paris's toll gates — belongs to the 19th century, not the 20th, and the Café Momus is much too glitzy an establishment to be a plausible hangout for the student crowd.

Colline's touching farewell aria to the beloved overcoat he is about to hock would be far more believable if the article of clothing in question did not look so ordinary.

BUT Miller fills the available space with convincingly natural action, whether horseplay or domestic tragedy. Vaduva and Alagna are partnered by a first-class and appropriately youthful cast. Gwynne Geyer is a spirited, bright-voiced Musetta, and Jean-Luc Chaignaud (Marcello), Frank Leguérinel (Schaunard) and Kristinn Sigmundson (Colline) round out a fine bohemian quartet.

The virtue of strong casting in the character parts is amply demonstrated by having (in both casts) the veterans Jules Bastin as the landlord Benoît and Carlos Feller as Alcindoro, Musetta's gullible squire. In the right hands these are no minor roles.

• The Kronos Quartet is composed of the classic combination of string instruments, but that is one of the few traditional things about this remarkable ensemble, which plays mainly works written for it, always with the collective intensity common to all great quartets and usually with a theatricality that is entirely uncommon in the genre.

The theater was built into the major work on the program of the quartet's most recent passage at the Théâtre de la Ville, "Ghost Opera," by Tan Dun, a 38-year-old New York-based Chinese composer. It calls not only for the sounds of the violins, viola and cello — joined by that of the pipa, a Chinese lute, played with virtuoso élan by Wu Man — but various vocal emissions, the sounds of stone, paper, water and metal, plus a great deal of moving around.

This enchanting piece is rooted in Chinese peasant culture, but it borrows from Asian shadow theater, Tibetan music, Shakespeare (snatches of "The Tempest") and Bach (phrases from a prelude of the "Well-Tempered Clavier") all within a highly organized framework. There was more than a hint of theater, too, in the ingenious rhythms of four selections from "John's Book of Alleged Dances," for string quartet and synthesizer by John Adams.

LONDON THEATER

Robert Workman

Adrian Scarborough and Simon Russell Beale in "Rosencrantz and Guildenstern Are Dead" at the National.

'Company': The Star Is New York

By Sheridan Morley
International Herald Tribune

LONDON — In comes "Company": Stephen Sondheim's 1970 musical arrives at the Warehouse looking as strong as ever, all the better in fact (like so many of his shows) for being given the small-stage studio treatment rather than the original glitz. This is the high-rise Manhattan apartment revue about the little things you do together, children you destroy together, people you annoy together. It's the one about the ladies who lunch, and the air hostess not going to Barcelona, the one that defined for the very first time what we really mean by a Sondheim show: acid satire, heart-stopping acknowledgments of unrequited love, and the realization that not only is every man an island but most of them are under invasion.

The star here is New York itself, where another hundred people just got off the train and where you're always sorry-grateful about people who will marry you a little. But a quarter of a century down the line, "Company" has acquired a curious kind of pre-AIDS innocence. It is still, in its own quirky way, a show about safe sex and unsafe relationships. The fears are of marriage or loneliness, not of sudden death or permanent loss, and Sam Mendes, the director, has wondrously understood that the strengths of "Company" are in all of the company. This is a team effort in which not even Sheila Gish in the old Stritch showstopper gets star billing. A cast of 14 all get their moments.

Adrian Lester has the uneasy task of holding these short stories together with nothing more than his own indecision about whether or not to get married, but in his curtain-call plea for someone to make him alive, ruin his sleep, force him to care, vary his days, is one of the great anthems to urban unrest.

"Rosencrantz and Guildenstern Are Dead" made Tom Stoppard's name at the Edinburgh Festival and then the National Theatre at the Old Vic back in 1967, but is only now getting its first National revival, in a strong new staging by Matthew Francis. The idea of "Hamlet" through the eyes of two of its least substantial characters was not a new one; W.S. Gilbert had tried it back n the 1880s, though what made it work for the first time here was Stoppard's brilliant realization that they could stand for all of us, and for the absolute certainty of confusion. His Rosencrantz and Guildenstern are a deeply endearing couple; tetchy, certainly, bewildered by a universe in whose arrangement they have been allowed no part, only gradually aware that every exit is really just an entrance somewhere else and that actors are the very opposite of people.

"R&G" is a double act with Simon Russell Beale as Hardy to the Laurel of Adrian Scarborough, desperately trying to make sense of Elsinore in crisis. The brilliance is all in the conjuring, from the flipped coins at the outset through the appalled realization of eternity ("Where's it going to end?") to a "Pirates of Penzance" finale that Shakespeare unaccountably forgot to write. This way, rather than in the Bard's two throwaway lines, we finally get to understand what happened to two of his most forgettable and forgotten characters and their demon king, brilliantly hammed by Alan Howard.

And completing a hugely welcome Christmas box of major revivals from the 1970s, Peter Nichols's "Privates on Parade" is back at Greenwich. This was about the Combined Services Entertainment unit (one that in real life included Nichols himself, Stanley Baxter and Kenneth Williams) dispatched to the Far East in the aftermath of World War II to continue the fight against the Malaysian terrorists with songs, sketches and a few jokes.

A script that would now have entire armies of the politically correct bombarding it superbly captures a mix of gay panic, showbiz courage and overseas bloody-mindedness as Nichols explores the lives and adventures of this sublimely tacky troupe of troopers determined that the Malaysian jungle is really no different from a bad week on Blackpool pier, just wetter. Tony Slattery as the camp, in more ways than one, commander ("You disobey a commanding officer and I'll scream the place down") lacks the brilliance of Dennis Quilley in his original parodies of Vera Lynn, Noël Coward and Marlene Dietrich, but Paul Clayton's production borrows a trick or two from "Pacific Overtures," so that our final image of Singapore is now the world of Nick Leeson's merchant bankers, triumphantly reclaiming territory for which vaudeville troupers once went out to die.

Time and again Nichols establishes his greasepaint references: These entertainers literally die the death in a theater of war, and those that don't have their sexuality and their social beliefs seriously challenged by Nicholas le Prevost's brilliantly inane Major, urging them on to fight for the vicarages and croquet lawns that make up the only England he has ever known. This "Parade" deserves to go on forever, even in productions that miss some of the subtleties of Michael Blakemore's original staging.

Dining Out

AMSTERDAM

Restaurant Christophe
Southern French Cuisine
"Best Restaurant Netherlands" (R-H)
Leliegracht 46 - 1015 HD Amsterdam
Tel. +31.20.6250807. Fax: 6389132

BRUSSELS

LES BAGUETTES IMPERIALES
Vietnamese restaurant, near Atomium, highly rated by most European gastronomic guides. 70 avenue J. Sobieski, 1020 Brussels, Tel.: 32 2 4796732, closed Sunday evenings and Tuesdays.

PARIS 2nd

AUX LYONNAIS
Traditional bistro cooking in authentic 1900 decor. Excellent wines & mineral waters. 32, rue St Marc. Tel.: (1) 42 96 65 04

PARIS 3rd

NEW ORLEANS JAZZ BRUNCH AT THE HOLIDAY INN
Buffet "All you can eat". New Orleans Jazz band. Kids' entertainment. FF 220 (Kids under 12 FF 55). Sunday lunch and Thursday evening HOLIDAY INN 10, place de la République. Reservation (1) 43.55.44.34.

PARIS 6th

YUGARAJ
Hailed as the best Indian restaurant in France by the leading guides (air conditioned). 14, rue Dauphine. T. 43.26.44.91.

PARIS 7th

THOUMIEUX
Specialities of the South-West. Confit de canard & cassoulet au confit de canard. Air conditioned. Open everyday. 79 rue St-Dominique. Tel.: (1) 47.05.49.75. Near Invalides Terminal.

PARIS 17th

AL GOLDENBERG
Malts herings - Pastrami - Cream cheese bagel and lox homemade - Cheese cake & all the trad. Jewish spec. 39 Av. de Wagram. Tel.: 42.27.34.79. Every day up to midnight.

PARIS 8th

Nirvana - Inde
Best choice of gastronomic critics. Seen on television. Recommended by Jean-Pierre COFFE. Open until 11 p.m. every day except Sunday. 6, rue de Moscou. Tel.: 45 22 27 12

VIENNA

KERVANSARAY
Turkish & Int'l specialties, lobster bar, best seafood restaurant, 1st floor. Mahlerstr. 9 Tel.: 512.88.43. Air conditioned. 80m. Opera. Noon-3 p.m. & 6 p.m.-1a.m., except Sunday. Open holidays.

Thursday

HEALTH/SCIENCE

With a wide range of topics from technology to space exploration, from recent medical discoveries to how the human brain functions, this in-depth feature brings up-to-date information on scientific and physical developments in the intriguing worlds of health and science.

Every Thursday in the International Herald Tribune.

Herald International Tribune
THE WORLD'S DAILY NEWSPAPER

INTERNATIONAL CLASSIFIED MARKETPLACE

- Monday — *International Recruitment*
- Tuesday — *Education Directory*
- Wednesday — *Business Message Center*
- Thursday — *International Conferences and Seminars*
- Friday — *Real Estate Marketplace, Holidays and Travel*
- Saturday — *Arts and Antiques*

Plus over 300 headings in International Classified Monday through Saturday

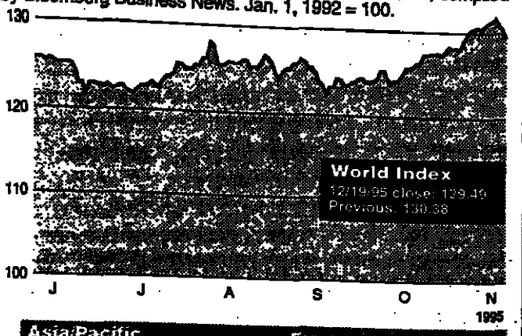
For further information contact Fred Ronan in Paris: Tel: (33-1) 41 43 93 91 - Fax: (33-1) 41 43 93 70.

Herald International Tribune
THE WORLD'S DAILY NEWSPAPER

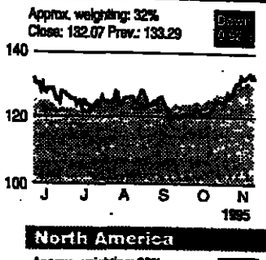
LIVING IN THE U.S.?
Now printed in New York for same day delivery in key cities.
To subscribe, call
1-800-882 2884
(in New York, call 212-752-3890)
Herald International Tribune
THE WORLD'S DAILY NEWSPAPER

THE TRIB INDEX: 129.49

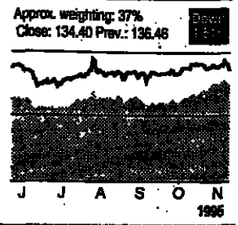
International Herald Tribune World Stock Index ©, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.



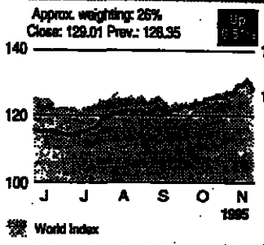
Asia/Pacific — Approx. weighting: 32%. Close: 132.07 Prev.: 133.29



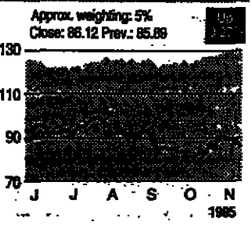
Europe — Approx. weighting: 37%. Close: 134.40 Prev.: 136.46



North America — Approx. weighting: 26%. Close: 129.01 Prev.: 128.35



Latin America — Approx. weighting: 5%. Close: 86.12 Prev.: 85.89



World Index

The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Denmark, Finland, France, Germany, Hong Kong, Italy, Mexico, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden, Switzerland and Venezuela. For Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization, otherwise the ten top stocks are tracked.

Industrial Sectors

	Tue. close	Prev. close	% change		Tue. close	Prev. close	% change
Energy	132.99	133.63	-0.48	Capital Goods	131.11	131.19	-0.06
Utilities	124.05	124.63	-0.47	Raw Materials	138.69	140.14	-1.10
Finance	125.18	126.25	-0.85	Consumer Goods	135.35	137.02	-1.22
Services	118.66	118.75	-0.08	Miscellaneous	129.31	130.85	-1.18

For more information about the Index, a booklet is available free of charge. Write to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

© International Herald Tribune

A Step Toward Openness

Deutsche Bank Shifts Standard

Compiled by Our Staff From Dispatches

FRANKFURT — Deutsche Bank AG broke ranks with other German banks Tuesday by saying it would present its annual results for 1995 under international accounting standards, improving disclosure for international investors.

The bank's decision to open its books to international scrutiny is likely to prompt other German banks to satisfy demands of foreign investors, analysts said. "It is a significant gesture," said Niall Brady, of Corporate Accounting International.

Deutsche Bank said it had made its decision in the interests of openness, acknowledging indirectly that accounting practices in German banks have allowed them to shield some figures from investors.

The move will force the bank to present its earnings according to internationally comparable criteria. That means the bank will not be allowed to keep hidden reserves, a practice required under German accounting law that has been frequently criticized by international analysts.

The bank also will be required to provide full details of risk provisions against potential loan losses, said Jürgen Krumnow, a member of Deutsche Bank's management board.

"Shareholders and lenders, financial analysts and the public will be provided with information which will guarantee comparability with other globally active banks," Mr. Krumnow said.

The bank will report 1995 earnings on March 28. It also will present separate earnings according to German accounting standards. *(AFP, AFX)*

Easing Currency Criteria

EU Officials Signal Euro Flexibility

By Tom Buerkle
International Herald Tribune

BRUSSELS — Senior European Union officials sent a clear signal on Tuesday that they wanted to leave open the possibility of bending the Maastricht criteria for a single currency to enable a large number of countries to participate in monetary union.

Officials effectively endorsed Prime Minister John Major's claim on Monday that Britain could qualify for monetary union without putting the pound back into the bloc's existing exchange-rate mechanism, a step that until now had generally been considered a requirement.

EU officials said the decision on whether to move to a single currency, which will be taken by EU leaders in early 1998, would be essentially political rather than economic. Flexibility in interpreting the Maastricht criteria would increase the chances that the Euro, as EU leaders agreed in Madrid last week to call the currency, could be launched on schedule on Jan. 1, 1999, officials said.

"We can't anticipate their decision," one EU official said. "There is room for interpretation."

The Maastricht Treaty on European Union stipulates that countries must have "respected the normal fluctuation margins provided for by the exchange-rate mechanism" for at least two years before joining a single currency.

A spokesman for the European Commission, the executive agency leading preparations for a single currency, said officials would defer judgment on whether the treaty requires participation in the exchange-rate mechanism to EU heads of government.

One German official, whose government has insisted publicly on the need for strict adherence to the Maastricht criteria, said Bonn did not believe that ERM participation was necessary. He said Germany's paramount concern was enforcing tough discipline on budget deficits, the only one of the five Maastricht criteria that Finance Minister Theo Waigel of Germany has addressed in his proposed Stability Pact.

A European monetary official said there was an informal consensus among EU finance ministers and central bank governors to avoid boxing themselves into a strict interpretation of the Maastricht criteria, which could rule some countries out of monetary union in advance or invite new speculative attacks on European currencies.

NatWest Sells U.S. Bank Unit

By Erik Ipsen
International Herald Tribune

LONDON — Fleet Financial Group Inc. of Boston said Tuesday it would buy National Westminster Bank PLC's U.S. retail bank unit for $3.16 billion.

The purchase of New Jersey-based NatWest Bancorp is expected to help Fleet achieve its long-term aim of expanding into the New Jersey banking market.

Meanwhile, analysts in London greeted the news with some relief. "I think it is a pretty fair price," said Michael Trippitt, an analyst at SBC Warburg.

NatWest announced in mid-September that it wanted to sell the U.S. consumer bank because the unit was too small to be a long-term player in the changing American market.

Under the proposed deal, Fleet Financial will pay $3.16 billion for New York-based NatWest Bancorp, an institution with $32.3 billion in assets. Adding in assets excluded from that sale, including a $315 million loan portfolio and a New York office tower, the total value of NatWest Bancorp becomes $3.56 billion. That figure fell below the $4 billion that most British analysts had forecast when the unit was first put on the market.

NatWest said Tuesday the sale would give rise to an accounting loss of around £250 million ($384.7 million).

Richard Goeltz, NatWest's chief financial officer, said that "over our 16 years of ownership we have had a poor return on the £3.1 billion we put in on acquisitions and in capital."

Matthew Czepliewicz, an analyst for Salomon Brothers Inc. in London, said "I am sure that if NatWest had known how difficult it would be they never would have gone near it."

Mr. Goeltz said that in the past four years, the bank had tried to bolster its U.S. unit by injecting new management and streamlining its operation. In London, speculation quickly turned to what the bank would do with the proceeds of the sale. The prospect of the bank returning a sizable portion of those funds to its shareholders through a share buyback quickly lifted NatWest's shares. NatWest's shares closed 2 pence higher, at 631 pence, on Tuesday.

Japan Will Use Public Funds to Bail Out Lenders

Sheryl WuDunn
New York Times Service

TOKYO — The Japanese government ended months of wrangling Tuesday by deciding to use $6.85 billion in taxpayers' money to rescue the nation's troubled mortgage companies.

The decision may ease some concerns of the international financial community about the government's resolve to deal with Japan's banking problems because, in some ways, it is reminiscent of the U.S. government's rescue of America's savings-and-loan institutions.

But the rescue plan, announced at a special televised midnight news conference, is likely to trigger fierce criticism in Japan. It also underscores how severe the financial difficulties are and how much money it will take to solve them.

"Please understand," Tomiichi Murayama, Japan's Prime Minister, said early Wednesday at the dramatic and acrimonious news conference. "It was a decision filled with bitterness."

"It is natural for anger to be voiced," he said, taking questions from a group of selected Japanese reporters. "But this problem is related to the international financial system, and since the financial system is an artery of the economy, it is necessary to establish the credibility of the system. If we postpone a decision any further, there would be chaos."

The use of public funds, a decision that was made without any major effort to build a popular consensus, means that each Japanese citizen would have to pay about $55 to foot the bill.

It is not clear when taxpayers would be asked to turn over that cash, but the amount is likely to be only the starting point. Costs or the amount of bad debt could rise in the process of liquidation. Moreover, if the economy worsens and real estate prices fall further, the burden on taxpayers could be several times greater.

The mortgage companies now on the brink of collapse went on a lending spree in the 1980s, making loans for property deals that went bust when the economy stagnated. Some analysts say the Ministry of Finance is partly to blame because it exempted the mortgage lenders from controls imposed on other financial institutions.

The bad loans of Japan's mortgage companies have been a nagging headache for the entire banking industry for the past several years. The ailing companies are holding about $76 billion in unrecoverable loans.

The hope was that the government would not have to turn to Japanese taxpayers for such a large amount of money and that instead, the institutions that had a stake in the mortgage banks would divide up the losses. But that did not happen.

The rescue package is the result of a sharp battle between two main creditors of the mortgage lenders: commercial banks and agricultural cooperatives.

The agricultural cooperatives apparently had supported the mortgage lenders in their lending activities, but they also have been ailing. For a while, they even resisted classifying some of their loans to the mortgage lenders as bad debt, maintaining that they would be repaid.

The banks, which originally founded the mortgage lenders, will be forced to assume the biggest losses, forgiving more than $35 billion in loans. The nation's 21 largest banks are expected to record high operating profits this year, but disposing of these unrecoverable loans is likely to force some of them to report losses for the entire year.

MEDIA MARKETS

NBC Acquires a World View

By Joseph Lanza
New York Times Service

NEW YORK — For the past few years, U.S. broadcast networks have been looking at international markets as a way of gaining hundreds of millions of new viewers.

But while networks can make the strategic purchases, set up satellite links and provide programming for new markets, the key to success is to induce advertisers to follow them overseas.

To do that, NBC in the past few months has taken the unusual step of giving away an hour of advertising on its international networks for every two hours of domestic commercial time bought by more than 100 of its largest sponsors. In return, Anheuser-Busch Cos. has kicked in $10 million over four years for additional advertising time to jump-start its international campaign.

In so doing, the advertisers are following the NBC game plan as the network, a unit of General Electric Co., tries to redefine itself as a worldwide broadcaster.

The move, which its executives say is critical to its long-term profitability, is costly. Not only does NBC International project a loss of $50 million to $60 million for the year, but its continuing losses will keep it from turning a profit until the beginning of the next decade, said Norm Bierman, executive vice president.

But the potential is enormous, Mr. Bierman and other executives say. One network executive, who requested anonymity, said NBC's international holdings were worth about 20 percent of the network's net value of $10 billion to $12 billion. In 10 years, he predicted, half the network's value would come from its international holdings.

Asia is expected to be the primary area of growth, because a quarter of the continent's 400 million homes are expected to receive cable by 2000.

The number of cable subscribers in Europe and Latin America also is expected to increase just as NBC starts operating its CNBC Europe channel and related services in Latin America early next year.

NBC's expansion has greatly heated up competition in a market that until now has been virtually owned by the sports network ESPN and by Turner Broadcasting System Inc., which exports CNN, Cartoon Network and TNT.

Turner has a head start of nearly 10 years and a roster of international sponsors that includes International Business Machines Corp. and American Express Co.

But Tom Rogers, executive vice president of NBC, said his network had an advantage, because Turner's main international network, CNN, is largely aimed at business people staying in hotels.

"Watch CNN for 20 minutes, and the programming repeats itself," Mr. Rogers said. "Watch NBC and you get the whole spectrum, from NBC Sports to news to entertainment."

Andy Goldman, vice president of international sales at Turner, counters that it took NBC International 18 months to land its Anheuser-Busch deal.

"I don't want to take anything away from them," he said, but Anheuser-Busch "is already advertising with us." NBC, he added, "had to try awfully hard."

Bouygues Chief Held By Police

Compiled by Our Staff From Dispatches

PARIS — The French construction conglomerate Bouygues SA said Tuesday that its headquarters outside Paris was being searched, and that its chief executive, Martin Bouygues, was being questioned by judicial authorities.

Judicial sources said Mr. Bouygues had been arrested by fraud squad police and taken to Nanterre, outside Paris, for questioning.

The sources said that the Lyon-based judge Philippe Courroye ordered him held in connection with payments into the Swiss bank accounts of Pierre Botton, a Lyon businessman. Mr. Botton, the son-in-law of the former Lyon mayor Michel Noir, has been jailed for four years on corruption charges.

Mr. Noir and the TV news anchor Patrick Poivre d'Arvor were convicted in April on charges of receiving gifts from money embezzled by Mr. Botton from his companies. They received 15-month suspended sentences.

Shares in Bouygues fell 15 francs on the Paris stock exchange, on Tuesday, to 495 francs ($100).

(AFP, Bloomberg, Reuters)

CURRENCY & INTEREST RATES

Cross Rates — Dec. 19

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.886	2.4825	1.1293	0.3254	0.1007*	—	5.4495*	1.3654	1.5015*	1.367	1.317*
Brussels	29.5035	45.5225	18.5665	5.0905	1.5745*	15.636	—	25.6025	23.501	21.395	24.1325*
Frankfurt	1.4255	2.1737	—	0.2902	0.0894*	0.8977	4.9651*	1.1525	1.4809*	1.6483	1.374*
London (a)	1.543	—	2.2958	7.6244	2.4514*	2.4812	45.576	1.8291	152.03	2.1255	188.475
Madrid	122.186	188.532	78.177	24.699	7.654*	76.838	4.3456	100.76	120.34*	88.605	—
Milan	1,594.25	2,461.25	1,012.25	322.85	—	993.40	54.18	1,306.66	15,667	1,154.69	13,072
New York (b)	—	1.5428	1.443	4.9565	1.594.00	1.6157	29.42	1.7258	180.94	1.3232	122.40
Paris	4.947	7.633	3.4486	—	0.3369*	3.3786	6.1677	4.2973	4.8543*	3.9834	4.05*
Tokyo	151.55	156.59	72.95	23.62	0.637	63.36	2.4517	59.57	—	73.75	8.333
Toronto	1.5405	2.1192	1.3549	2.7.28	0.8063*	0.8571	0.0414*	1.399	1.2472*	—	1.124*
Zurich	1.372	1.7862	0.5828	0.2334	0.0724*	0.7167	2.9885*	—	1.3324*	0.8371	0.9434*
1 ECU	1.309	0.9463	1.6777	6.4755	2.0859.54	2.1934	38.6383	1.3869	158.126	1.1851	159.892
1 SDR	1.4874	2.3641	2.2257	7.3841	2.374.22	2.3801	43.8077	1.5712	150.969	2.8444	181.683

Closings in Amsterdam, London, Milan, New York, Paris and Zurich. Rates in other centers: Toronto rates at 3 p.m.
*a To buy one pound. b: To buy one dollar. *Units of 100. N.Q.: not quoted. N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9998	Greek drac.	237.10	Mex. peso	7.85	S. Arab. riyal	3.6663
Australian $	1.3523	Hong Kong $	7.7464	N. Zealand $	1.5387	S. Kor. won	771.49
Austrian sch.	10.07	Hung. forint	138.99	Norw. krone	6.9395	Spanish peseta	6.8089
Brazil real	0.9665	Indian rupee	34.98	Phil. peso	26.19	Taiwan $	27.23
Chinese yuan	8.2978	Indon. rupiah	2286.	Polish zloty	2.98	Thai baht	25.15
Czech koruna	26.66	Irish £	0.6274	Port. escudo	150.48	Turkish lira	56582.
Danish krone	5.553	Israeli shek.	3.1135	Russian ruble	4630	U.A.E. dirham	3.671
Egypt. pound	3.3955	Kuwaiti dinar	0.2998	Saudi riyal	3.7503	Venez. bolivar	325.00
Fin. markka	4.3167	Malaysian ring.	2.5425	Sing. $	1.4196		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
British pound	1.5410	1.5401	1.5392	Japanese yen	[illegible]	[illegible]	100.24
Canadian dollar	1.3785	1.3790	1.3792	Swiss franc	[illegible]	[illegible]	1.3389
Deutsche mark	1.4303	1.4287	[illegible]				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); [illegible] (Milan); Agence France-Presse (Paris); Bank of Tokyo (Tokyo); [illegible] (Toronto); [illegible]. IMF (SDR). Other data from Reuters and AP.

Eurocurrency Deposits — Dec. 19

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1 month	5¹⁄₁₆ - 5¹⁄₄	3¹⁄₁₆ - 4¹⁄₁₆	2¹⁄₄ - 2½	6¹⁄₁₆ - 6¹⁄₈	6⅛ - 6⅜	⅜ - ½	5¼ - 5⅜
3 months	5⅛ - 5¼	3¼ - 3⅜	2⅛ - 2¼	6⅛ - 6¼	6⅛ - 6⅜	⅜ - ½	5⅛ - 5¼
6 months	5½ - 5⅝	3⅜ - 3¼	2⅜ - 2⅝	6⅛ - 6½	6⅛ - 6⅜	⅞ - 1⅛	5⅛ - 5¼
1 year	5⅝ - 5½	3⅜ - 3⅝	1⅝ - 2⅜	6⅛ - 6⅛	5¾ - 5⅞	⅞ - 1⅛	5⅛ - 5⅛

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev	Britain		
Discount rate	5¼	5¼	Bank base rate	6½	6½
Prime rate	8¼	8¼	Call money	6⅝	6½
Federal funds	5½	5¾	1-month interbank	6½	6½
3-month CDs	5.27	5.21	3-month interbank	6½	6⅞
Comm. paper 180 days	6.11	6.11	6-month interbank	6⅛	6⅛
3 month Treasury bill	5.07	5.19	10-year Gilt	7.53	7.45
1-year Treasury bill	4.97	5.08			
2-year Treasury note	5.30	5.42	**France**		
5-year Treasury note	5.53	5.65	Intervention rate	4.45	4.70
7-year Treasury note	5.62	5.73	Call money	5.00	4⅝
10-year Treasury note	5.75	5.86	1-month interbank	5⅛	5⅛
30-year Treasury bond	6.11	6.20	3-month interbank	5⅛	5⅛
Merrill Lynch 30-day ready asset	5.27	5.27	6-month interbank	5⅛	5⅛
Japan			10-year OAT	6.75	6.66
Discount rate	0.50	0.50			
Call money	0.38	0.38			
1-month interbank	0.47	0.47			
3-month interbank	0.47	0.47			
6-month interbank	0.47	0.47			
10-year Government bond	2.55	2.51			
Germany					
Lombard rate	5.00	5.00			
Call money	3.85	3.90			
1-month interbank	4.05	4.03			
3-month interbank	3.92	3.92			
6-month interbank	3.75	3.75			
10-year Bond	6.14	6.07			

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	388.25	388.25	+1.00
London	388.00	388.10	+0.90
New York	389.40	388.40	—0.20

U.S. dollars per ounce. London official fixings: Zurich and New York opening and closing prices: New York Comex (Feb.)
Source: Reuters.

Headquarters of Republic National Bank (Suisse) in Geneva.

In fact, we consider asset management a team effort, with you as the key member of that team. Your particular financial needs, your objectives, help us determine the winning strategy. Our fundamental goal: to protect your capital as we safeguard its purchasing power.

It is a simple principle upon which we base our brand of financial conservatism: private banking built upon rigor, discipline and prudence. This sophisticated

AT REPUBLIC, MANAGING YOUR ASSETS IS A DIALOGUE, NOT A MONOLOGUE.

conservatism, vigorously pursued, has created a global private bank of exceptional stability, capable of weathering the roughest storms.

Indeed, Republic's capitalization ratio, on a risk adjusted basis, is *three times* as great as that required by the world's international banking regulators.

To our way of thinking, it is *security* as well as return that we must ensure each day. And in the process, to provide a unique quality of service, understanding and discretion.

World Headquarters of Republic National Bank in New York.

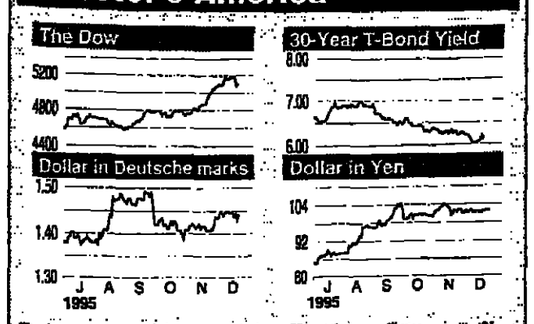
A wealth of integrity. Republic National Bank

A Safra Bank · New York · Geneva · London · Beirut · Beverly Hills · Buenos Aires · Cayman Islands · Copenhagen · Gibraltar · Guernsey · Hong Kong · Jakarta · Los Angeles · Lugano · Luxembourg · Manila · Mexico City · Miami · Milan · Monte Carlo · Montevideo · Montreal · Moscow · Nassau · Paris · Perth · Punta del Este · Rio de Janeiro · Santiago · Singapore · Sydney · Taipei · Tokyo · Toronto · Zurich

© Republic National Bank of New York 1995

THE AMERICAS

Investor's America



Exchange	Index	Tuesday Close	Prev. Close	% Change
NYSE	The Dow	5109.89	5075.21	+0.68
NYSE	S&P 500	611.93	606.81	+0.84
NYSE	S&P 100	586.48	581.90	+0.79
NYSE	Composite	325.71	323.66	+0.63
U.S.	Nasdaq Composite	1026.40	1002.56	+2.38
AMEX	Market Value	531.61	527.44	+0.79
Toronto	TSE Index	4853.60	4813.40	+0.87
São Paulo	Bovespa	40349.95	40560.13	-0.52
Mexico City	Bolsa	2747.46	2656.80	+3.42
Buenos Aires	Merval	488.50	486.81	+0.35
Santiago	IPSA General	5727.11	5709.42	+0.31
Caracas	Capital General	1943.37	1965.77	-1.14

Source: Bloomberg, Reuters — International Herald Tribune

GDP Measure Comes Under Fire

By Robert D. Hershey Jr.
New York Times Service

WASHINGTON — Jean Brown is an energetic widow who works nine hours a day, four days a week doing clerical tasks and sometimes pushing the toiletries-laden "comfort cart" at the veterans hospital in downtown Baltimore. Her pay? Nothing, unless you count a parking space, a $4 lunch chit or the offer of a free flu shot.

The Veterans' Administration hospital estimates that the work done by hundreds of volunteers like Mrs. Brown is worth at least $350,000 a year. But none of it registers on the gauge most widely used to assess America's economic well-being — the gross domestic product — which represents the estimated total of goods and services produced in the American marketplace.

No other statistic plays as influential a role in U.S. economic and political life as the GDP does. These days momentous federal budget negotiations hang on impossibly precise projections of economic growth over the next seven years.

But within economic circles, the compilation of the gross domestic product is coming under attack. Environmentalists say it overstates the health of society by ignoring the drain on natural resources and the cost of ecological damage.

On the other side, Alan Greenspan, chairman of the Federal Reserve Board, is among economists who argue that GDP currently understates the strength of economic growth by overlooking much of the productivity and quality improvements technology brings.

Other economists and analysts point out that volunteer work, child care and other work at home are ignored, while the figures *include the cost of building prisons and the* fees of divorce lawyers — items that could more properly be deemed a reflection of social breakdown, not economic progress.

The government itself has long recognized that *the statistic is flawed*. Starting with the latest figures for the third quarter, which were scheduled to be released Tuesday and now will be available as soon as the partial government shutdown ends, the Commerce Department will switch its primary emphasis to a calculation method known as the chain-weighted system from the traditional fixed-weight system.

The new method, which has been used as a backup measure for several years, will lead to calculations showing a slower pace of economic growth.

But the new system is likely to widen the debate over whether the GDP is an appropriate measure of American economic well-being.

The statistic is designed to measure the domestic total of consumer spending, business investment, government purchases and foreign trade. But nothing is simple about the calculations that go into it.

Analysts say the figure, while still probably the best single gauge of the overall pulse of the economy, no longer accurately reflects the changing dynamics of an increasingly service-oriented society. Its deficiencies, they say, are grounded in the statistic's roots as a World War II-era tool for judging military-industrial potential.

Nor is gross domestic product viewed as simply a neutral judgment of the economy. The fiercest criticism comes from environmental groups and others fearful that their interests are being swamped by an all-consuming attention to sheer output.

"The GDP was never intended to be a yardstick of economic progress," said a report by Redefining Progress, a public-policy institute in San Francisco. "It says *nothing about the impacts of current modes* of production upon the nation's health and well-being. Yet economic analysts and the media accord the GDP a totemic stature and regard its growth as the ultimate measure *of economic success*."

The group has begun to publish a statistic that adjusts the Commerce Department's tally, among other ways, to include unpaid work and exclude social and environmental costs. The difference is striking.

The group's so-called Genuine Progress Indicator shows almost uninterrupted decline since 1969, with the measure slumping at an annual rate of 1.4 percent in the third quarter of 1995. That contrasts sharply with the government's estimate of a 4.2 percent rate of expansion during that period.

The Commerce Department, published data in the spring of 1994 that sought to account for the depletion nonrenewable resources.

The department hoped to include factors such as the use of forests and changes in air quality. But development of the measure has stalled because some members of Congress worry that such data might be used against the oil and mining industries.

In contrast to these criticisms, which suggest that the GDP exaggerates national well-being, some economists have said the GDP erred in the other direction. They said the economy — at least in terms of material prosperity — is actually stronger than the official figures show.

Mr. Greenspan said recently in a Chicago speech that the GDP "increasingly underestimates the market value of goods and services," primarily because advances in technology have improved life and productivity in ways statistics fail to capture.

That view is shared by such private economists as Bruce Steinberg of Merrill Lynch & Co.

"If properly measured, real GDP growth was *probably stronger during the 1990s* than currently reported, rather than weaker," Mr. Steinberg has told clients.

Rate Cut Sparks Wall Street Gains

Compiled by Our Staff From Dispatches

NEW YORK — Stocks rose Tuesday as Federal Reserve Board policy-makers lowered interest rates for the second time this year, a move investors are counting on to spark the economy and help corporate profits flourish in 1996.

The Dow Jones industrial average, which had been down for the day before the announcement, jumped 34.68 points, to

U.S. STOCKS

close at 5,109.89. Advancing issues outpaced decliners by a 5-to-3 ratio on the New York Stock Exchange.

The rebound came a day after the Dow dropped 101.52 points. The Federal Open Market Committee elected to cut the target federal funds rate on overnight loans between banks to 5.50 percent from 5.75 percent.

"I didn't think the Fed would move today. The Fed cut even with the budget brouhaha since there was a lot of pressure and they saw signs the economy needed help," said Robert Stovall, president of Stovall/21st Advisers.

The gain in stocks was also accelerated by a rally in bond prices, which jumped more than a point.

Falling bond yields help stocks by lowering borrowing costs for companies, which in turn help future corporate profits. Paltry bond yields also give investors a reason to turn to stocks.

Shares of computer, software, telephone and banking companies posted the biggest gains.

Intel rose 3⅛, to 60¾. Microsoft climbed 3⅞, to 90⅞. Sun Microsystems soared 7½, to 48⅜, and Cisco Systems gained 7⅜, to 78¼, and sent the Nasdaq Composite Index up 23.84 points, to 1,026.40.

The Dow industrials set 69 records this year and the S&P 500 notched 76 all-time highs amid optimism that the Fed would continue to lower interest rates after its quarter-point rate cut on July 6.

Some investors said that lower rates would not mask a slew of profit warnings descending from corporate America.

Whirlpool said it expected fourth-quarter earnings to be "well below" analysts' estimates of 80 cents a share, and its stock weakened 1⅛, to 53⅛.

C-Cor Electronics fell 6¾, to 21, after saying earnings in the second quarter ended Dec. 31 would not match estimates. Analysts expected the company to earn about 27 cents a share, up from 20 cents a year ago. The shortfall was partly because of the deferral of some customer shipments until 1996, C-Cor said.

Fleet Financial Group shares rose 2, to 41, after it said it would buy the U.S. operations of National Westminster.

Nike climbed 2, to 64, after the athletic shoe company reported second-quarter net profits at 80 cents a share, up from predictions of 76 cents. The company cited strong demand for shoes and clothing.

Boeing rose 2½, to 75⅝, after the aircraft maker said it would increase its jet production.

Compaq Computer gained 3⅝, to 49¼, and Dell Computer soared 6⅛, to 35⅝, after the computer makers' ratings were raised by analysts.

IBM gained 2¾, to 91¾; Texas Instruments rose 3⅜, to 49⅞, and Motorola rose 2, to 58¼.

DSC Communications climbed 2⅜, to 33⅜, after the digital-switching systems maker reassured analysts that it would introduce several products next year.

Gap declined ⅞, to 44⅜, when the apparel retailer was cut to "neutral" from "attractive" by a Bear Stearns analyst.

Phoenix Technologies rose 2, to 13½ after the maker of start-up software for personal computers, signed a $20 million, 7-year deal with chipmaker Intel to use Phoenix software on Intel-made motherboards, the main circuit boards for personal computers. *(Bloomberg, Reuters)*

Very briefly:

Whirlpool Lukewarm About Profits

BENTON HARBOR, Michigan (Bloomberg) — Whirlpool Corp. said Tuesday that its fourth-quarter earnings will fall well below estimates because of falling sales in Western Europe and *rising raw material costs. Disappointing earnings* would be the company's fourth straight quarter of lower-than-expected profit.

Whirlpool said sales in France and Germany, which account for about half of its European sales, have declined each month since September.

•**Warner-Lambert Co.** said it agreed to pay $1.05 billion for **Glaxo Wellcome PLC**'s stake in their joint venture to sell over-the-counter products. Warner-Lambert also said it planned to restructure a second joint venture with Glaxo Wellcome that makes nonprescription formulas of prescription medicines.

•**Boeing Co.**, recovering from a 10-week strike by the International Association of Machinists, said it planned to boost aircraft production late next year.

•**USA Waste Services Inc.** said it would acquire Western Waste Industries in a stock swap valued at about $525 million.

•**Xerox Corp.** said it would cut one layer of senior management and reorganize the company into three divisions in an attempt to speed up decision-making and accelerate growth.

•**Chiquita Brands International Inc.** said it sold its Grupo Numar unit's Costa Rican operations for about $100 million, half in cash. *AFX, Bloomberg, Reuters*

Rising Stocks and Bonds Lift the Dollar

Bloomberg Business News

NEW YORK — The dollar rose against other major currencies Tuesday, boosted by a rally in stock and bond prices after the Federal Reserve Board reduced interest rates for the second time this year.

The Fed's policy-making Open Market Committee cut its target federal funds rate on overnight bank loans by a quarter of a percentage point, to 5.50 percent.

While reduced interest rates cut into the return on dollar deposits, the currency rallied because of strong demand for U.S. assets. Foreign investors purchasing U.S. securities must generally buy dollars first.

The price of the benchmark 30-year Treasury bond jumped 1 8/32 point, send-

FOREIGN EXCHANGE

ing the yield down to 6.11 percent from 6.20 percent Monday.

"The bonds have come up quite nicely and stocks are moving in the right direction," said Dennis Pettit at Long Term Credit Bank of Japan in New York. "That's helped the dollar."

The dollar closed at 1.4430 Deutsche marks, up from 1.4292 DM Monday, at 1.1580 Swiss francs, up from 1.1455 francs, at 4.9565 French francs, up from 4.9224 francs, and at 102.000 yen, up from 101.525 yen. The pound was steady at $1.5420.

"The dollar was hard-wired to the asset markets today," said David DeRosa at Swiss Bank Corp. in New York.

Analysts had been divided about what the Fed would do because economic reports have not shown conclusively that the economy was slowing enough to justify a rate cut. Some had expected the Fed to wait for a budget agreement before cutting rates.

WORLD STOCK MARKETS

Tuesday, Dec. 19
Prices in local currencies.

Amsterdam

Telekurs

	High	Low	Close	Prev.
ABN-AMRO	71.40	70.50	71.40	71.30
Aegon	67.50	66.10	67.10	67
Ahold	63.60	62.70	63.50	63.25
Akzo Nobel	178.80	176.50	178.10	178
Bols Wess cva	33.80	32.90	33.50	33.30
CSM cva	68.30	68	68.20	68.50
Dordtsche Per	239	236	238.80	239
DSM	124.90	120.50	124.40	121.80
Elsevier	20.50	20.30	20.50	20.60
Fortis Amev	105.60	103.80	104.70	104.90
G-Broc cva	47.50	46.90	47.20	47.30
Hagemeyer	81.50	80.30	81	81.70
Heineken	278	275	276.80	276
Hoogovens	50	49.10	49.90	49.80
Hunt Douglas	75	72.50	75	74.20
ING	104.90	103.50	104.90	105.20
KLM	56.80	55.20	56.30	55.90
KNP BT	40	39.30	39.90	39.70
KPN	58.20	57.50	58.10	58.20
Nedlloyd Gp	31.90	31.30	31.70	31.70
Nedrlcd	128.30	127.10	128.30	128.00
Oce Grinten	98.30	97.20	97.30	98.80
Pakhoed	43	42	43	42.70
Philips Elec	56.90	55.20	56.80	57.60
Polygram	82.80	79.50	81.50	80.80
Rabobank Hdg	68	67	68	68
Robeco	112.30	111.90	111.90	113.70
Rodamco	44.60	44.40	44.50	44.70
Rolinco	119.20	118	118	119.60
Royal Ahold	94.70	93.60	93.60	94.20
Royal Dutch	218.80	216	218.30	218.70
Stork	38.20	37.90	38.50	38
Unilever cva	227.20	225	227.10	227.30
VNU	219	217.50	218.50	219
Wolters Kl cva	150.50	147.10	150.50	148.90

EOE Index: 472.51
Previous: 474.25

Bangkok

	High	Low	Close	Prev.
Adv Info Svc	432	430	430	430
Bangkok Bk F	292	286	292	290
Krung Thai Bk	101	99.50	101	102
PTT Explor	250	246	250	248
Siam Cement F	1378	1372	1378	1384
Telecomasia	74.50	73	74.50	74.50
Thai Airways	42.25	41.50	41.75	42.25
Thai Farm Bk F	250	244	246	246
Thai Telegph	137	133	134	139
Utd Comm	316	310	312	318

SET Index: 1247.26
Previous: 1254.26

Bombay

Monday Dec. 18

	High	Low	Close	Prev.
Assoc Cement	2770	2710	2720	2740
Grasim Ind	520	514	514	520
Hindalco Ind	906	880	888	900
Indust Lever	618	610	610	610
Indian Hotels	562	554	562	566
ITC	247	243	245	245
Larsen Toubro	259	247.50	249	248.50
Mahindra Ind	204.75	200	202.25	204
Tata Eng Loco	373	370	372	370
Tata Iron St	201.75	199	199.75	200.25

Sensitive Index: 3042.96
Previous: 3049.40

Brussels

	High	Low	Close	Prev.
Arbed	3025	2970	3010	2995
Banco Ind	3485	3450	3475	3505
BBL	5170	5000	5060	5250
Bekaert	24100	23750	24100	24050
CBR	11650	11350	11500	11800
CMB	2130	2055	2125	2140
Cofomeuble	160	154	159	160
Colruyt	7930	7650	7920	7960
Delhaize Lion	1260	1232	1258	1254
Electrabel	6980	6930	6970	6990
Electrofina	2965	2920	2930	2965
Fortis AG	3505	3425	3440	3490
GIB	1274	1250	1274	1270
GBL	3980	3880	3950	4005
Gen Banque	10175	10000	10150	10075
Glaverbel	3270	3000	3100	3220
Kredietbank	6150	6000	6110	6140
Mosane	N.T.	N.T.	N.T.	1860
Petrofina	8990	8920	8970	8980
Powerfin	3790	3755	3770	3800
Reacticel	339	330	330	340
Royale Belge	5900	5660	5760	5810
Soc Gen Be's	2420	2360	2395	2440
Solvay	15650	15350	15525	15700
Tessenderlo	10300	10150	10150	10225
Tractebel	11750	11625	11675	11900
UCB	38700	37700	38100	38250
Union Miniere	1955	1925	1945	1960

Stock Exchange Index: 8253.34
Previous: 8227.58

Copenhagen

	High	Low	Close	Prev.
Carlsberg B	299	294.65	296	302
Danisco	263	254	256	266
Den Danske Bk	395	379	380	386
DS Svendborg A	N.T.	N.T.	N.T.	153000
DS 1912 A	104340	104340	104340	107500
Easy Access Co	112	107	110.75	112
FLS Ind B	445	445	445	442
ISS Int'l Ser B	132.15	127	128	133
Nys Nordisk B	757.25	746.05	750	755
Radiometer B	375	370	375	383
Scandas Ser B	616	604	608	617
Tele Danmk B	285.57	272	275	280.50
Unidanmark A	276	271	274	277

Stock Market Index: 360.34
Previous: 364.49

Frankfurt

	High	Low	Close	Prev.
AMB	928	900	905	910
AEG	144.50	143.50	144.50	146
Allianz Hdg	2825	2788	2792	2855
Altana	827	820	825	828
Asko Deutsche	730	720	725	719
Bayerwerk	490	480	488	480
BASF	318.50	315.20	315.80	319.30
Bayer Hypo Bk	36.35	36.10	36.35	36.68
Bayr.Vereinsbank	42.80	42.50	42.80	42.90
Bayer	376.90	373.10	373.80	378.70
Berliner Kraft	433	430	432	442
BHF Bank	39.60	38.25	39.60	38.44
BMW	750	741	741	750.50
CKAG Colonia	1125	1115	1125	1115
Commerzbank	335.70	332.70	334.50	339
Daimler Benz	721	715.20	716.60	724
Degussa	476	467	467	473.80
Deutsche Bank	68.25	67.80	67.97	68.45
Dresdner Bank	37.90	37.75	37.85	38.25
Feldmühle Zmt	885	880	880	890
Henkel	537	534.50	534.50	541
Hochtief	614	605	614	616
Hoechst	373	371.50	371.50	376.30
Holzmann Ph.	516	509	509	515
Karstadt	576	571	576	590
Kaufhof Hdg	448	436	438.50	442
Linde	843	838	840.50	847
Lufthansa ord	200.50	198	199.50	201.30
MAN	396	393	394	399
Mannesmann	458.70	456	456.50	462.70
Muench Rueck	2960	2940	2945	2965
Preussag	408.50	399.20	400	405
PWA	208.50	207.50	207.50	210
RWE	515.50	511	515	519.50
SAP pfd	223	216.50	217.10	228.30
Schering	96.60	95.80	95.95	96.70
Schmalz Lub	213	210	213	213.50
Siemens	772	768.50	769	775.50
Suedzucker	736	735	735	745
Thyssen	260.40	257.10	257.80	261.80
Veba	60	59.75	59.80	60.25
VEW	529	523	529	537.50
Viag	582	578	578.75	583.50
Volkswagen	471	465.50	468.30	474.25
Wella	738	730	736	725

DAX Index: 2235.63
Previous: 2266.19

Helsinki

	High	Low	Close	Prev.
Cultor 1	178	174	174	176
Enso-Gutzeit H	27	24.50	26.50	27
Huhtamaki. IF	122	120	120	123
Kesko	54.90	54	54.50	54.30
Kone BF	349	345	346	350
K.O.P. F	3.70	3.46	3.48	3.50
Metsa-Serec B	109	105	106	106
Metra BF	175	174	175	175
Metso-Serlc B	123	118	120	123
Nokia Pri F	145	137	144	161
Outokumpu A	71	66.50	70.10	70.50
Rauharu. Akt	25.70	25.50	25.70	25.40
Repola	77.50	74.50	77.50	77.20
Stockmann A	248	244	244	243
Unitas Bk A	10.60	10.30	10.40	10.60
Valmet A	105	100	105	107

HEX General Index: 1600.59
Previous: 1646.42

Hong Kong

	High	Low	Close	Prev.
Amoy Props	7.55	7.40	7.55	7.60
Bk East Asia	27.30	26.90	27.20	27.45
Cathay Pacific	11.80	11.65	11.65	11.95
Cheung Kong	44.40	44	44.40	44.70
China Light	35	34.60	34.80	35.20
Chin Estates	4.73	4.63	4.70	4.70
Cific Pacific	24.85	24.70	24.85	25.10
Cons Elec Pwr	13.10	12.80	12.95	13.30
Dao Heng Bk	27.55	27.30	27.40	27.50
First Pacific	8.50	8.40	8.50	8.45
Great Eagle	20.60	20.40	20.60	20.75
Guangdong Inv	4.65	4.60	4.65	4.66
Guoco Group	35.30	35.50	35.30	35.50
Hang Lung	12	11.80	11.90	12
Hang Seng Bk	67.75	67	67.50	68.25
Henderson Inv	6.30	6.15	6.20	6.35
Henderson Ld	45.60	45.40	45.60	45.80
HKR Intl	6.55	6.45	6.50	6.65
Hk Aircraft	20.30	20.20	20.25	20.40
HK Chinc Gas	12.70	12.35	12.55	12.65
HK Electric	25	24.75	24.95	25.30
HK Shang Hts	10.60	10.30	10.60	10.65
HK Telecomm	13.25	13.10	13.20	13.40
Hopewell Hdgs	4.05	3.83	4.03	4.05
HSBC Hdgs	114	112	113.50	115
Hutchison Wh	44.50	44.10	44.40	44.80
Hysan Dev	19.40	19.15	19.30	19.45
Johnson El 500	14.45	14.30	14.40	14.50
Miramar Hotel	16.50	16.50	16.50	16.80
Nat Mutual	6.35	6.20	6.25	6.40
New World	32.20	31.60	32.20	32.20
Oriental Press	2.60	2.55	2.60	2.70
Orient Telecom	2.20	2.20	2.20	2.25
Shangri-La	9.45	9.20	9.30	9.45
SHK Props	59	58.75	59	59.50
Shun Tak Hdgs	5.35	5.20	5.25	5.50
Sino Land Co.	5.75	5.65	5.75	5.85
Sth China Prot	4.70	4.60	4.65	4.70
Swire Pac A	58.50	58	58.50	59.25
Wahg Sha Tsui	5.85	5.75	5.85	5.90
TV Broadcasts	27.10	27	27.10	27.10
Wharf Hdgs	25.70	25.30	25.55	25.65
Wheelock	12.80	12.70	12.85	13

Hang Seng Index: 9705.86
Previous: 9806.58

Jakarta

	High	Low	Close	Prev.
Astra Intl	3425	3350	3425	3450
Bank Pacific	1650	1625	1650	1650
Gudang Garm	22500	22500	22700	22700
Indah Kiat	1700	1675	1700	1725
Indocement	7250	7275	7300	7400
Indofood	9950	9800	9950	9725
Indorayon	2350	2325	2325	2400
Indosat	7825	7800	7825	7800
Kalbe Farma	7825	7650	7700	7700
Sampoerna	23100	22550	23000	22750

Composite Index: 491.74
Previous: 493.41

Johannesburg

	High	Low	Close	Prev.
AngloAm-Corp	228	227	227.50	230
AngloAm Gold	298	296.50	296.50	292
AngloAm Ind	164	164	164	166.50
Barlow	50	49	50	50
C.G. Smith	27	27	27	27.25
De Beers	111.50	109.50	110.50	112.50
Driefontein	44	43.75	43.75	43.50
Freegold	30.75	30	30	30.50
Fst Natl Bk	35.25	35	35	35.50
Gencor	12.85	12.70	12.80	12.80
GFSA	114	114	114	114
Iscor	3.25	3.25	3.25	3.25
Johnnies Ind	53	53	53	53
Kloof Gold	34.25	34	34	34
Liberty Life	113	113	113	113
Nedcor	63	63	63	63
Rembrandt Gp	36	35.50	36	36.50
Richemond	55.75	55.25	55.50	56.25
Rust Plattburn	65.50	65	65	66
SA Breweries	132.75	130.50	132.75	132.50
Sasol	51	50.50	50.25	51
Sanlam	29.75	29.25	29.75	29.75
SBIC	165	165	165	170
Tiger Oats	66.25	65.50	66.50	66.50

All Market Index: 6198.91
Previous: 6240.00

Kuala Lumpur

	High	Low	Close	Prev.
Mal Banking	21.90	21.50	21.90	21.90
Mal Intl Ship F	6.45	6.25	6.45	6.30
Public Bank F	4.84	4.76	4.80	4.84
Resorts World	13.20	13	13.20	13.50
Sime Darby	6.65	6.50	6.65	6.55
Telekom Mal	19.50	19.20	19.40	19.50
Tenaga	9.85	9.75	9.75	9.85
Utd Engineers	16.10	15.80	16	16.10

Composite Index: 977.49
Previous: 984.80

London

	High	Low	Close	Prev.
Abbey Natl	8.32	6.11	6.25	6.22
Allied Domecq	5.20	5.11	5.15	5.20
Anglian Water	6.05	5.88	5.93	5.90
Argyll Group	3.11	3.05	3.08	3.09
Arjo Wiggins	1.57	1.52	1.55	1.56
Asda Group	1.05	1.03	1.05	1.05
Assoc Br Foods	3.72	3.66	3.67	3.67
BAA	4.82	4.68	4.78	4.74
Barclays	8.76	7.43	7.52	7.54
Bass	7.06	6.86	6.93	7.11
BAT Ind	5.46	5.37	5.45	5.48
Bank Scotland	2.85	2.73	2.77	2.86
BICC	2.80	2.70	2.76	2.73
Blue Circle	3.29	3.21	3.25	3.24
BOC Group	8.92	8.75	8.80	9
Boots	5.63	5.43	5.47	5.75
Bowater	3.54	3.41	3.47	3.55
BPB Ind	2.91	2.86	2.88	2.96
Brit Aerosp	7.62	7.46	7.55	7.65
Brit Airways	4.66	4.46	4.64	4.67
Brit Gas	2.40	2.27	2.39	2.36
Brit Petlm	5.25	5.15	5.19	5.27
Brit Steel	1.54	1.48	1.50	1.51
Brit Telecom	3.45	3.40	3.46	3.41
BTR	3.23	3.13	3.19	3.17
Burmah Cast	9.16	9.05	9.13	9.15
Cable Wireless	4.55	4.40	4.46	4.45
Cadbury Schw	5.46	5.37	5.32	5.45
Carnaby	1.85	1.77	1.83	1.84
Carlton Comm	9.50	9.30	9.40	9.44
Coats Viyella	1.72	1.63	1.69	1.75
Comm Union	6.19	6.04	6.13	6.17
Courtaulds	3.86	3.77	3.82	3.77
De La Rue	6.26	6.20	6.20	6.39
Eastern Group	9.77	9.68	9.68	9.75
Eng China Cl	3.08	2.98	3.08	3.05
Enterprise Oil	3.80	3.73	3.76	3.81
Fam Colonial	1.60	1.57	1.59	1.59
Forte	3.23	3.21	3.29	3.22
Gen'l Accident	6.30	6.18	6.24	6.46
GEC	3.19	3.13	3.17	3.16
GKN	7.61	7.53	7.59	7.67
Glaxo	8.83	8.70	8.76	8.83
Grenada Gp	6.32	6.27	6.27	6.32
Grand Met	4.47	4.37	4.39	4.49
GRE	2.60	2.51	2.56	2.64
Guinness	4.57	4.50	4.57	4.60
GUS	6.79	6.66	6.67	6.74
Hanson	1.88	1.84	1.84	1.86
Hillsdown Hdg	1.63	1.56	1.60	1.61
HSBC Hldgs	9.55	9.50	9.52	9.54
ICI	7.35	7.25	7.33	7.33
Inchcape	2.38	2.25	2.28	2.26
Kingfisher	5.33	5.23	5.28	5.29
Ladbroke	1.54	1.50	1.52	1.54
Land Sec	5.97	5.91	5.95	5.97
Laporte	6.65	6.38	6.40	6.55
Lasmo	1.77	1.72	1.75	1.76
Legal Gen'l Grp	6.72	6.59	6.68	6.67
Lloyds Abbey	4.62	4.54	4.58	4.61
Lloyds Bank	8.40	7.50	8.29	8.42
London Elec	6.91	6.73	6.82	6.81
Lucas Ind	1.76	1.73	1.70	1.75
Marks Spencer	4.39	4.29	4.32	4.39
MEPC	3.84	3.75	3.80	3.81
Mercury Asyst	8.76	8.63	8.63	8.74
Midlands Elec	7.57	7.40	7.43	7.60
Natl Power	4.35	4.18	4.28	4.23
NatWest	6.49	6.29	6.31	6.29
News Int	3.18	3.10	3.11	3.14
Norwich	10.25	10.06	10.20	10.17
NthWst Water	5.96	5.75	5.83	5.78
Nthern Foods	1.68	1.64	1.68	1.65
P&O	4.63	4.54	4.59	4.55
Pearson	6.07	5.90	5.91	6.09
Pilkington	2.05	2.01	2.02	2.03
Powergreen	5.15	4.95	5.14	5.02
Prudential	4.17	4.11	4.1	4.23
Rank Org	4.35	4.24	4.27	4.33
Reckitt Colm	6.92	6.80	6.91	6.86
Redland	3.79	3.70	3.75	3.77
Reed Intl	9.67	9.52	9.55	9.66
Rentokil	3.30	3.24	3.27	3.28
Reuters Hldgs	6.75	6.64	6.69	6.76
RMC Group	9.79	9.68	9.74	9.80
Rolls Royce	1.75	1.71	1.72	1.74
Royal Bk Scot	5.86	5.66	5.66	5.90
RTZ reg	9.47	9.23	9.27	9.47
Royal Insur	3.78	3.65	3.72	3.73
Sainsbury	3.70	3.63	3.66	3.68
Schroders	13.38	13.15	13.20	13.37
Scot Newcastle	6.05	6	6.03	6.10
Scot Power	3.60	3.55	3.60	3.60
Sears	1.02	0.99	1	1.01
Severn Trent	6.80	6.70	6.72	6.75
Shell Trsp reg	8.43	8.30	8.33	8.43
Siebe	7.75	7.50	7.65	7.81
Smith Nephew	1.93	1.91	1.92	1.93
Smith (WH)	4.26	4.19	4.24	4.22
Smith

Lights Off at AEG

Compiled by Our Staff From Dispatches

FRANKFURT — Daimler-Benz AG's AEG unit said on Tuesday that it planned to dispose of its two remaining directly held divisions, essentially ending its 112-year existence as an independent company.

AEG said it would sell its power distribution unit to GEC Alsthom NV and transfer its automation and plant technology units to a joint venture controlled by Alcatel Alsthom.

The company did not release a sale price or other financial details about the agreements, which cover 3.5 billion Deutsche marks ($2.45 billion) worth of AEG's total annual sales of 10 billion DM.

"The sale of the two AEG divisions is another important step in focusing the Daimler-Benz portfolio in the business fields that are central to the future of the concern," Daimler Chief Executive Jürgen Schrempp said.

The agreements, are to take effect on Jan. 1, leaving AEG without much of a function. "The headquarters in Frankfurt won't remain," said Christoph Peez, a spokesman for AEG.

No decisions have been made, however, about what to do with the publicly traded corporate shell, AEG AG, or its remaining four units, which are already legally independent entities, Mr. Peez said.

Daimler, which has struggled to return AEG to profitability since buying it in the 1980s, owns 84 percent of the unit's shares.

Under the agreements, GEC Alsthom will take over the power distribution unit, which has sales of 2 billion DM. GEC Alsthom is a joint venture between General Electric Co. of Britain and France's Alcatel Alsthom. of France.

GEC Alsthom said the acquisition was a "strategic" decision that will double its sales force.

The automation and plant technology units, with sales of 1.5 billion DM, will be transferred to a joint venture to be 51-percent controlled be Cegelec SA, a design and construction unit of Alcatel.

AEG said at least 1,700 jobs would be lost. A spokesman confirmed earlier claims by the AEG works council that 500 jobs would be cut at the power unit and 1,200 at the industrial automation unit.

Daimler has said it considers AEG's diesel motors, microelectronics and rail systems to be "core businesses" that it does not intend to sell or close. Although it is not necessarily a core business, the postal automation unit is considered profitable enough that its sale is "not a topic of discussion," Mr. Peez said.

The rail unit recently was merged into a joint venture with ABB Asea Brown Boveri Ltd..

Daimler is reviewing with AEG managers whether the other two units should be absorbed into other Daimler units or the parent company itself.

The MTU Friedrichshafen diesel engines unit could be transferred to the Mercedes-Benz AG automaker.

(Bloomberg, Reuters)

Opel Abandons Attempt to Block Staff Moves to VW

Bloomberg Business News

RUSSELSHEIM, Germany — Adam Opel AG said Tuesday it had given up trying to prevent former employees from working at its rival Volkswagen AG, even though its espionage case against VW is continuing.

"Considering the time that has passed since the people moved to Wolfsburg, Opel's legal action couldn't have fulfilled its original purpose of limiting damages," Opel said. VW's headquarters are in Wolfsburg.

Opel, the German unit of General Motors Corp., charged VW with industrial espionage after José Ignacio López de Arriortúa, GM's former purchasing chief, left to join Volkswagen in 1993, taking seven other Opel employees with him.

German prosecutors plan to decide in January or February whether to file any criminal charges in the case.

Since May 1993, prosecutors have been considering a request from Opel to charge Mr. López with stealing corporate secrets and with breach of trust. Volkswagen and Mr. López have denied any wrongdoing.

The last court action in the case came in September, when a German district court rejected a plea from Opel that would have prevented Mr. López from working at Volkswagen.

Running Out of Steam?

OECD Lowers European Growth Outlook

By Carl Gewirtz
International Herald Tribune

PARIS — The already-slowed growth outlook for two of Europe's economic engines were further lowered Tuesday, while the prospects in North America and Japan were revised slightly upward.

In its semiannual Economic Outlook, the Organization for Economic Cooperation and Development revised its predictions downward for Germany and France, based on data received since the report was prepared in early November.

Kumiharu Shigehara, chief economist, said he expected German growth this year and next year to be a quarter percentage point lower than the 2.1 and 2.4 percent published. Growth is expected to recover to 2.7 percent in 1997.

But he was more circumspect about France, which is seen coming in a quarter-point below the 2.7 percent forecast in the report. He refused to speculate about next year, saying "it's hard to say" what effect the three-week strike of public service workers will have on activity. He said that such stoppages were often followed by a catch-up and that recent official cuts in German and French interest rates, including declines in long-term market rates, should also help improve the outlook.

Despite these downward revisions and a forecast of sustained high levels of unemployment, Mr. Shigehara said it would be wrong for governments to modify their ambitious targets at reducing public deficits.

He said such reductions were needed whether or not countries were attempting to fulfill the Maastricht treaty criteria for creating a monetary union.

"It would not be right to recommend a slowdown in the process of fiscal consolidation because that would have adverse effects on macroeconomic performance over the medium-term that would be much worse," he said.

The key to growth was through lower deficits, which assure investors and open the way for declines in real interest rates through a reduction in the risk premiums now built into credit-market prices, he said.

The OECD also said that a strengthened dollar would be helpful not only for Europe and Japan, but also for the United States.

A rise of the dollar along with a reduction in the Deutsche mark would relieve foreign-exchange market tensions within Europe and create scope for the interest rate premiums in other European markets to fall relative to Germany.

Although no particular exchange rate was cited for the dollar against the mark, the report noted that an appreciation of the dollar to 115 yen from the just over 100 yen would have a dramatic effect on improving growth prospects in Japan.

The OECD forecast is for Japan to grow 2 percent next year, up from 1.7 percent forecast last month, and 2.7 percent in 1997. A weaker yen would push those numbers to 2.8 percent next year and 4.2 percent the following year.

The benefit to the United States would be to ensure that inflation pressures did not emerge. U.S. growth next year is projected at 2.7 percent, up from 2.5 percent forecast a month ago, and at 2.8 percent in 1997.

■ **France Cuts Its Growth Outlook**

French GDP is expected to grow at an annualized rate of around 1.5 percent in the first half of 1996, the statistics office INSEE said, AFX News reported.

In its latest report on the French economy, INSEE said GDP was now expected to grow 2.6 percent in 1995, down from 2.9 percent in the previous survey, which was in October.

The government lowered its forecast for 1995 growth to 2.5 percent to 2.75 percent from 2.9 percent on Dec. 6. It is looking for 1996 growth of 2.8 percent, but many economists expect this figure to be revised downward.

Kvaerner's Plan: Not to Hurry

Compiled by Our Staff From Dispatches

OSLO — Kvaerner A/S said Tuesday it might sell its stake in AMEC PLC after its hostile bid for the British construction concern failed but indicated it probably would not make an immediate move.

Kvaerner had accumulated only 36 percent of AMEC's stock as of Monday's deadline, well short of the 90 percent that the company had hoped would accept its offer of £1 a share, or £360 million ($554 million).

"In the long run, it wouldn't be natural for Kvaerner to be a financial investor in AMEC," the shipbuilding concern's chief executive, Erik Tonseth, told the Norwegian national broadcasting company NRK. Selling the holding, he said, was "an alternative we are considering."

Mr. Tonseth said, however, that the stake in AMEC could help Kvaerner's finances in the short run. He told another interviewer the company would "take its time" over its next move.

He did not rule out a renewed offer for control of AMEC, but under British takeover rules it would have to wait 12 months before bidding again unless it won the consent of Britain's takeover panel or unless a rival bidder emerged.

"We do not feel pressed for time," Mr. Tonseth said. "If AMEC shareholders are right in that the stock is worth more than 100 pence per share, then this will not be a loss for Kvaerner."

The company bought 26.1 percent of AMEC's shares at that price but won the support of holders of only a further 10.4 percent for its offer.

(AP, AFX, Reuters)

Polygram Shares Slide On Profit Warning

Compiled by Our Staff From Dispatches

AMSTERDAM — PolyGram NV shares fell 9 percent after the entertainment company said its 1995 net profit would be little changed, after five years of double-digit growth, because of problems in its music and film businesses.

PolyGram, with a stable of artists including Sting, U2 and Janet Jackson, said it did not have enough hits on the pop music charts during the usually strong second half.

Analysts, meanwhile, said they expected the company's film business to continue losing money.

"Hit albums and movies are not something you can produce like Coca-Cola bottles," said Marc Langeveld, an analyst at Kempen & Co.

PolyGram, which is 75 percent owned by Philips Electronics NV, had hit albums last year from Boyz II Men, Bon Jovi and Sting, which sold more than 8 million copies each. The company also took in $250 million from the popular film "Four Weddings and a Funeral."

This year, the company had fewer hits and its artists spent a lot less time atop the pop charts, analysts said.

Hans Sibeyn, a broker at Kempen & Co. said the profit warning "came as a big surprise because three weeks ago it announced in the U.S. that it had increased its market share in the music business."

The company was also hurt by a rise of about 9 percent in the value of the guilder against the dollar, the yen and the pound. That means revenue from record and movie sales abroad bought fewer guilders at home.

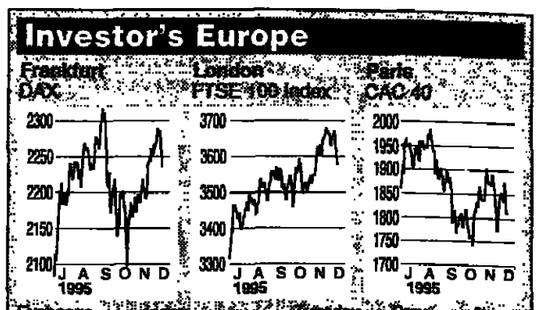
When it reports results Feb. 14, PolyGram said earnings "are likely to be flat" compared with 1994, when PolyGram had 738 million guilders ($459.2 million) in net income.

In 1993, PolyGram had net income of 614 million guilders.

PolyGram stock fell 8.30 guilders, to 81.50; Philips dropped 2 guilders, to 55.80.

(Bloomberg, AP)

Investor's Europe



Exchange	Index	Tuesday Close	Prev. Close	% Change
Amsterdam	EOE	472.51	474.25	-0.37
Brussels	Stock Exchange	9,253.34	9,327.56	-0.80
Frankfurt	DAX	2,335.62	2,366.19	-1.29
Copenhagen	Stock Market	366.34	364.40	+1.13
Helsinki	HEX General	1,600.69	1,640.42	-2.78
Oslo	OBX	463.82	469.31	-1.02
London	FTSE 100	3,576.90	3,595.10	-0.50
Madrid	Stock Exchange	311.50	314.57	-0.98
Milan	MIBTEL	9,249.09	9,282.90	-0.09
Paris	CAC 40	1,810.21	1,820.47	-0.56
Stockholm	SX 16	1,730.94	1,774.67	-2.50
Vienna	ATX	921.67	936.88	-1.66
Zurich	SPI	2,074.40	2,095.31	-0.97

Source: Telekurs — International Herald Tribune

Very briefly:

•**Schindler Holding AG** will raise its stake in a joint venture, **China Schindler Elevator Co.**, to 60.3 percent from 15 percent with a capital increase of 90 million Swiss francs ($78 million).

•**BTR PLC** will sell its Dunlop Slazenger sporting-goods unit to **Cinven**, a London-based venture capital company, for more than £300 million ($462 million).

•**Britain** awarded a seven-year franchise to operate **South West Trains**, one of 25 lines the government intends to hand over to private operators, to **Stagecoach Holdings PLC**.

•**Coats Viyella PLC** predicted its earnings this year would be slightly below 1994 levels because an unusually warm and long summer in Britain had depressed sales.

•**Hamburg's** port traffic is expected to reach 72.5 million metric tons for the year, up 6 percent from 1994.

•**Finland's** central bank lowered its tender rate, the key tool of monetary policy, to 4.25 percent from 4.75 percent. The bank also predicted that inflation would hold below 2.0 percent over the next two years.

AFX, Bloomberg, AFP, Reuters

Hungary Privatizes Bank

Bloomberg Business News

BUDAPEST — General Electric Capital Services and the European Bank for Reconstruction and Development said Tuesday that they had bought a combined 60 percent stake in Budapest Bank from the Hungarian government for about $87 million.

GE Capital, the investment arm of General Electric Co., acquired 27.5 percent of the bank and the EBRD bought 32.5 percent, the parties said. The purchase is the first transaction in Hungary in which an outright majority of shares in a state-owned bank has been sold to investors.

Budapest Bank, with assets of more than 215 billion forints ($1.54 billion) and 74 branches, is one of Hungary's largest commercial banks.

The bank reported a pretax profit last year of 2.51 billion forints.

AMEX

Tuesday's 4 p.m. Close
The top 300 most-active stocks up to the closing on Wall Street
The Associated Press

Stock	Sales	High	Low	Latest	Chge
AMC	148	22⅝	22⅝	22⅝	—⅛
AMC pf	215	49⅝	49⅝	49⅝	[illegible]
ARC	243	[illegible]	[illegible]	[illegible]	[illegible]
ASR s	143	14	13⅝	[illegible]	[illegible]
Acton	1210	⅝	½	[illegible]	[illegible]
AdvFin	50	[illegible]	[illegible]	[illegible]	[illegible]
AdvMed	2834	[illegible]	[illegible]	[illegible]	[illegible]
AdvPhot	125	[illegible]	[illegible]	[illegible]	[illegible]
AirWat	79	[illegible]	[illegible]	[illegible]	[illegible]
Alcoa	107	[illegible]	[illegible]	[illegible]	[illegible]
Allegcan	1186	[illegible]	[illegible]	[illegible]	[illegible]
AldD wtA	409	[illegible]	[illegible]	[illegible]	[illegible]
AldD wtB	111	[illegible]	[illegible]	[illegible]	[illegible]
AllBrsh	161	[illegible]	[illegible]	[illegible]	[illegible]
AlloN	550	[illegible]	[illegible]	[illegible]	[illegible]
Alphstn	1065	[illegible]	[illegible]	[illegible]	[illegible]
AlphGr	228	[illegible]	[illegible]	[illegible]	[illegible]
Amchi	2723	[illegible]	[illegible]	[illegible]	[illegible]
AE spl s	169	[illegible]	[illegible]	[illegible]	[illegible]
AmerBnR	241	[illegible]	[illegible]	[illegible]	[illegible]
AIM B	186	[illegible]	[illegible]	[illegible]	[illegible]
ASCE	272	[illegible]	[illegible]	[illegible]	[illegible]
Ampal	206	[illegible]	[illegible]	[illegible]	[illegible]
Andrea	152	[illegible]	[illegible]	[illegible]	[illegible]
AmMfg	129	[illegible]	[illegible]	[illegible]	[illegible]
Apogee	131	[illegible]	[illegible]	[illegible]	[illegible]
Atlntic	130	[illegible]	[illegible]	[illegible]	[illegible]
Atlas	937	[illegible]	[illegible]	[illegible]	[illegible]
Autocas	136	[illegible]	[illegible]	[illegible]	[illegible]
AvonEl	844	[illegible]	[illegible]	[illegible]	[illegible]
Azco	431	[illegible]	[illegible]	[illegible]	[illegible]
BBHO	107	[illegible]	[illegible]	[illegible]	[illegible]
Bakar	135	[illegible]	[illegible]	[illegible]	[illegible]
Banyan	130	[illegible]	[illegible]	[illegible]	[illegible]
BT deePn	20	[illegible]	[illegible]	[illegible]	[illegible]
BT dep n	329	[illegible]	[illegible]	[illegible]	[illegible]
Bayou	178	[illegible]	[illegible]	[illegible]	[illegible]
BMK wt	220	[illegible]	[illegible]	[illegible]	[illegible]
BMK pwt	180	[illegible]	[illegible]	[illegible]	[illegible]
Belmac s	144	[illegible]	[illegible]	[illegible]	[illegible]
BemaGold	434	[illegible]	[illegible]	[illegible]	[illegible]
BofA A	171	[illegible]	[illegible]	[illegible]	[illegible]
Borvall	187	[illegible]	[illegible]	[illegible]	[illegible]
BondT n	339	[illegible]	[illegible]	[illegible]	[illegible]
BoshHd n	121	[illegible]	[illegible]	[illegible]	[illegible]
Bowmr	325	[illegible]	[illegible]	[illegible]	[illegible]
Bowne	384	[illegible]	[illegible]	[illegible]	[illegible]
Bremen	123	[illegible]	[illegible]	[illegible]	[illegible]
CK CG s	2347	[illegible]	[illegible]	[illegible]	[illegible]
CSTEnt	461	[illegible]	[illegible]	[illegible]	[illegible]
Calgon	1695	[illegible]	[illegible]	[illegible]	[illegible]
Calvis pf	195	[illegible]	[illegible]	[illegible]	[illegible]
Cabletel	143	[illegible]	[illegible]	[illegible]	[illegible]
Cafton	636	[illegible]	[illegible]	[illegible]	[illegible]
CamInT s	276	[illegible]	[illegible]	[illegible]	[illegible]
CFCda s	1257	[illegible]	[illegible]	[illegible]	[illegible]
ChadThr s	123	[illegible]	[illegible]	[illegible]	[illegible]
ChrtMed	163	[illegible]	[illegible]	[illegible]	[illegible]
ChrySoft	4459	[illegible]	[illegible]	[illegible]	[illegible]
Cimdel	806	[illegible]	[illegible]	[illegible]	[illegible]
Cinnove n	276	[illegible]	[illegible]	[illegible]	[illegible]
CoCoa	1575	[illegible]	[illegible]	[illegible]	[illegible]
CoLab	188	[illegible]	[illegible]	[illegible]	[illegible]
ComTch	139	[illegible]	[illegible]	[illegible]	[illegible]
Cross	138	[illegible]	[illegible]	[illegible]	[illegible]
CrCMnL	128	[illegible]	[illegible]	[illegible]	[illegible]
Cyberm s	297	[illegible]	[illegible]	[illegible]	[illegible]
DakotaM	290	[illegible]	[illegible]	[illegible]	[illegible]
Datamet	116	[illegible]	[illegible]	[illegible]	[illegible]
Datatrak	141	[illegible]	[illegible]	[illegible]	[illegible]
DevWE	224	[illegible]	[illegible]	[illegible]	[illegible]
Dimark s	338	[illegible]	[illegible]	[illegible]	[illegible]
Dobks	169	[illegible]	[illegible]	[illegible]	[illegible]
E-Willu	517	[illegible]	[illegible]	[illegible]	[illegible]
Dvcom	172	[illegible]	[illegible]	[illegible]	[illegible]
EXA A	145	[illegible]	[illegible]	[illegible]	[illegible]
EcoSciv	5574	[illegible]	[illegible]	[illegible]	[illegible]
Ecolin n	288	[illegible]	[illegible]	[illegible]	[illegible]
Empwr n	340	[illegible]	[illegible]	[illegible]	[illegible]
EmerR	274	[illegible]	[illegible]	[illegible]	[illegible]
EnviCtr	143	[illegible]	[illegible]	[illegible]	[illegible]
ENSCO	2100	[illegible]	[illegible]	[illegible]	[illegible]
Envirite	1979	[illegible]	[illegible]	[illegible]	[illegible]
Epitope	999	[illegible]	[illegible]	[illegible]	[illegible]
EvanJan	191	[illegible]	[illegible]	[illegible]	[illegible]
Fabrica s	417	[illegible]	[illegible]	[illegible]	[illegible]
FAuST	1399	[illegible]	[illegible]	[illegible]	[illegible]
FauSPr	209	[illegible]	[illegible]	[illegible]	[illegible]
Fiber	857	[illegible]	[illegible]	[illegible]	[illegible]
FormTel	493	[illegible]	[illegible]	[illegible]	[illegible]
FortPet	353	[illegible]	[illegible]	[illegible]	[illegible]
FredC	128	[illegible]	[illegible]	[illegible]	[illegible]
FriedMgs	446	[illegible]	[illegible]	[illegible]	[illegible]
GXY Tele	882	[illegible]	[illegible]	[illegible]	[illegible]
Garnett	270	[illegible]	[illegible]	[illegible]	[illegible]
GayCn	182	[illegible]	[illegible]	[illegible]	[illegible]
GayCn wt	248	[illegible]	[illegible]	[illegible]	[illegible]
GenHrd	1658	[illegible]	[illegible]	[illegible]	[illegible]
GlobTel	113	[illegible]	[illegible]	[illegible]	[illegible]
GlobSmk	170	[illegible]	[illegible]	[illegible]	[illegible]
Globrnk	167	[illegible]	[illegible]	[illegible]	[illegible]
GoldVield	191	[illegible]	[illegible]	[illegible]	[illegible]
GoldgerR	317	[illegible]	[illegible]	[illegible]	[illegible]
Grand s	709	[illegible]	[illegible]	[illegible]	[illegible]
GrntSCA	1150	[illegible]	[illegible]	[illegible]	[illegible]
GrtLTR	139	[illegible]	[illegible]	[illegible]	[illegible]
GrtWatrn	604	[illegible]	[illegible]	[illegible]	[illegible]
GrtCstrs	2692	[illegible]	[illegible]	[illegible]	[illegible]
Gundle	154	[illegible]	[illegible]	[illegible]	[illegible]
HMSHost	367	[illegible]	[illegible]	[illegible]	[illegible]
HarvEl	340	[illegible]	[illegible]	[illegible]	[illegible]
HemaSr	119	[illegible]	[illegible]	[illegible]	[illegible]
Hem Ind	2215	[illegible]	[illegible]	[illegible]	[illegible]
Hem wtB	3453	[illegible]	[illegible]	[illegible]	[illegible]
Hem wtC	1248	[illegible]	[illegible]	[illegible]	[illegible]
Hemlo	5977	[illegible]	[illegible]	[illegible]	[illegible]
HeloAir n	253	[illegible]	[illegible]	[illegible]	[illegible]
Hemphis	3454	[illegible]	[illegible]	[illegible]	[illegible]
HighYield	157	[illegible]	[illegible]	[illegible]	[illegible]
HomeNet	1030	[illegible]	[illegible]	[illegible]	[illegible]
Homfed	181	[illegible]	[illegible]	[illegible]	[illegible]
HoryRdT	347	[illegible]	[illegible]	[illegible]	[illegible]
Hoskins	551	[illegible]	[illegible]	[illegible]	[illegible]
HouseB-G	146	[illegible]	[illegible]	[illegible]	[illegible]
HuntC n	274	[illegible]	[illegible]	[illegible]	[illegible]
Hy	464	[illegible]	[illegible]	[illegible]	[illegible]
Hydro Mt	1	[illegible]	[illegible]	[illegible]	[illegible]
IntrSol M	848	[illegible]	[illegible]	[illegible]	[illegible]
IntrSol s	189	[illegible]	[illegible]	[illegible]	[illegible]
Intr Ser	184	[illegible]	[illegible]	[illegible]	[illegible]
Intr Wtr	198	[illegible]	[illegible]	[illegible]	[illegible]
Intelligent	1	[illegible]	[illegible]	[illegible]	[illegible]
Intl Shl	325	[illegible]	[illegible]	[illegible]	[illegible]
Iomega	9993	[illegible]	[illegible]	[illegible]	[illegible]
Iverson	219	[illegible]	[illegible]	[illegible]	[illegible]
JerrsnNat	243	[illegible]	[illegible]	[illegible]	[illegible]
JetFuel	193	[illegible]	[illegible]	[illegible]	[illegible]
JrdnKit	193	[illegible]	[illegible]	[illegible]	[illegible]
JumboSh	273	[illegible]	[illegible]	[illegible]	[illegible]
Kaufman	5362	[illegible]	[illegible]	[illegible]	[illegible]
KeyTech	128	[illegible]	[illegible]	[illegible]	[illegible]
Kinetics	143	[illegible]	[illegible]	[illegible]	[illegible]
KnogPrt	1	[illegible]	[illegible]	[illegible]	[illegible]
KoalaCr	1	[illegible]	[illegible]	[illegible]	[illegible]
Kopin	1	[illegible]	[illegible]	[illegible]	[illegible]
Kulicke	1	[illegible]	[illegible]	[illegible]	[illegible]
LaserTech	1	[illegible]	[illegible]	[illegible]	[illegible]
LaserVis	1	[illegible]	[illegible]	[illegible]	[illegible]
LeadTec	1	[illegible]	[illegible]	[illegible]	[illegible]
LeeEnt	1	[illegible]	[illegible]	[illegible]	[illegible]
LeeEnt pf	1	[illegible]	[illegible]	[illegible]	[illegible]
LeeEnt wt	1	[illegible]	[illegible]	[illegible]	[illegible]
LeeEnt pwt	1	[illegible]	[illegible]	[illegible]	[illegible]
LeeEnt rt	1	[illegible]	[illegible]	[illegible]	[illegible]
LeeEnt prt	1	[illegible]	[illegible]	[illegible]	[illegible]
LeeEnt un	1	[illegible]	[illegible]	[illegible]	[illegible]
LeeEnt pun	1	[illegible]	[illegible]	[illegible]	[illegible]
LeeEnt rt	1	[illegible]	[illegible]	[illegible]	[illegible]
LeeEnt pr

INTERNATIONAL CLASSIFIED

MOVING

INTERDEAN INTERNATIONAL MOVERS
FOR A FREE ESTIMATE CALL
PARIS (1) 39201400

AGS INT'L MOVING
A.G.S. PARIS (33-1) 40 80 20 40

AUTOMOBILE MARKET

Autowelt tax free cars
Alfred Escher Street 10
CH-8027 Zurich
Fax: 01/202 76 30
Tel: 01/202 76 10
new TAX-FREE used
ALL LEADING MAKES
Same day registration possible, renewable up to 5 years
We also register cars with (suspend) foreign (tax-free) plates

AUTOS TAX FREE

TRANSCO BELGIUM
The largest car export company in Europe for the past 20 years.
All makes and models.
Export sales-registration.
Shipping - insurance
European, African & U.S. specs.
Transco, 51 Vaese-schrijnl.,
2020 Antwerp, Belgium.
Tel: 03/542.62.40, fax 03/542.58.97,
telex 35.207 Trans B.

ATK WORLDWIDE TAX FREE CARS. Export + shipping + registration of new & used cars. ATK NV, Terrandale 40, 2920 Brasschaat, Belgium. Phone: +32 3 6455002. Fax +32 3 6457109. ATK, since 1959.

FRED OPERT RACING WORLDWIDE
NEW U.S.models&FreeEuropeanDelivery
VWGT/2.8VR6 airbags a/c $20,975
JeepGrandCherokee96Limited newspec leath 10way MemoryOrthopedicSeats coaxet 16" whls a/c 2airbags$33,771
JeepGrandCherokee96Laredo $27,997
JeepCherokee96aircond stereo$19,997
BMW325Cabriolet leath a/c$38,491
BMW318CabrioletBlue16V a/c$29,991
BMW M3Blue c/sunroof wwg$38,497
Fax for quotes on other vehicles.
Phone1-201-3271111 Fax1-201-3276222

AUTOMOBILES

ALFA ROMEO
BEAUTIFUL COLLECTION FOR SALE
Giulietta Spider, 2600 Sprint.
Montreal, Alfetta 1800, GTV
Fax: (33) 88 36 79 67 (France)

AUTO RENTALS

RENT FROM DERGI AUTO
SPECIAL OFFER - 24 HOURS, FF 190
SPECIAL OFFER - 7 DAYS: FF 1550
PARIS TEL: (1) 45 87 27 04

FRIENDSHIP

LOVELY LADY, well balanced, enjoys arts, sports, "cordon bleu" seeks special, serious friend. Fax (1) 4738 2524 or write Box 4081, IHT, 92521 Neuilly Cedex, France.

LOW COST FLIGHTS

WORLD AVIATION - SCHEDULED FLIGHTS. 1st, business, economy at lowest fares. Tel IFT Paris (1) 47551313

OLYMPIC RENTALS

7 rooms including 3 bedrooms + 2 full baths in upscale private home, 30 minutes from Atlanta. Bed & Breakfast. Call USA 770-579-9577 for rates.

ANNOUNCEMENTS

VIENNA, AUSTRIA. Tel: 713-3374. Are you sad or worried? Lonely or depressed? Are you despairing or suicidal? It helps to talk about it. Phone BEFRIENDERS in total confidence. Mon-Fri 9.30 am - 1 pm and every day 6-30 pm - 10 pm.

REAL ESTATE SERVICES

FLORIDA BOUND? Mix business with pleasure, check into real estate & commercial investment. US1 Investments. Ft Lauderdale. French, German, Spanish, Portuguese spoken. Tel 305-776-2000 Fax 305-776-2090.

REAL ESTATE FOR SALE

MONACO

MONTE CARLO
PRINCIPALITY OF MONACO
In center - splendid 335 sq m. apartment, luxurious fittings, 7 rooms, terraces with panoramic sea view, 2 cellars, large garage.
INTERMEDIA
Tel: 33-93 50 66 84
Fax 33-93 50 45 52

MONTE CARLO
Superb 6-room duplex-apartment, next to the beaches entirely renovated and decorated, huge terrace, parking and cellar. (253)
AGEDI
9, Bd des Moulins, MC 98000 Monaco
Tel 33-92 16 59 59 Fax 33-93 50 19 42

REAL ESTATE TO RENT/SHARE

PARIS AREA FURNISHED

IDEAL ACCOMMODATION
READY TO MOVE-IN
Over 4,000 apartments
- TOP QUALITY - credit cards accepted
De Circourt Associates
Tel: 1-47 53 80 13 Fax 45 51 75 77

AGENCE CHAMPS ELYSEES
Specialists
Furnished apartments, 3 months & more or unfurnished, residential areas.
Tel: (1) 42 25 32 25
Fax (1) 45 63 37 09

IN RESIDENTIAL DISTRICT, 1 street from Neuilly, near metro, owner rents independent flat: 6 rooms, large living, dining room, 4 bedrooms, 2 baths, fully equipped kitchen & laundry room. Modern furniture, telephone, parking, garden. F16,000/mo., including heat & water. No extra charges. Call owner (1) 47.58.54.79, anytime.

CAPITALE ■ PARTNERS
Handpicked quality apartments, all sizes. Paris and suburbs. We help you pay! Tel 1-4614 8211. Fax 1-4772 3096

6th, SAINT SULPICE, large studio, double bed, bath, F6,500/month. Tel: (1) 42 22 83 50. Free now to visit.

5th, LATIN QUARTER, 2-room apartment in townhouse, all comforts, kitchen, bath. Tel: (1) 43 54 65 69.

PARIS AREA UNFURNISHED

ON PLACE DES VOSGES
class building, renovated apartment, 7 rooms, 2 bathrooms, equipped kitchen, balcony. FF35,000. Tel: (1) 42 25 32 25.

7th, INVALIDES Grand apartment. Spectacular views. Terrace, 6 fireplaces, 4 bedrooms, mint. FF25,000/mo. + key money. Tel: (1) 47 53 93 66.

EMPLOYMENT

EXECUTIVES AVAILABLE

ACE TELEMARKETER
with experienced crew available '96 (investment field or intangibles preferred). But will sell anything lucrative. If you want the best, call +44-(0)1892-652135 or fax +44-(0) 1892-664776

GENERAL POSITIONS AVAILABLE

UNIVERSITY degree geologist required for gold mine in Mali with excellent command of French/English language. 5 years experience will be an asset. Send CV with recent photo to fax +301 4284535 or P.O. Box 80600, GR - 185 10 Piraeus. Mrs E. Makrozos

PROFESSIONAL FINANCIAL WRITER REQUIRED IMMEDIATELY. TEL: 422 240 91482 FAX. 422 240 91406.

LEGAL SERVICES

GO PUBLIC FAST!
DON'T BUY A HIGH-PRICED SHELL!
CREATE YOUR OWN WITH
EXPERIENCED SECURITIES ATTORNEY
IN 6 TO 8 WEEKS, $10,000 DOWN
(702) 369-9614 (NEVADA, USA)
FAX (702) 369-5731

DIVORCE 1-DAY CERTIFIED.
Call/Fax (714) 968-8695 19913 Beach Blvd. #315, Huntington Beach, CA. 92648 U.S.A.

DIVORCE ONE DAY, NO TRAVEL
LAWYER. Tel. 9729.504541 7-10 and 19-22 CET, Fax 9729 443302 24hrs

DIVORCE IN 1 DAY. No travel. Write: Box 397, Sudbury, MA 01776 USA. Tel: 508/443-5387, Fax: 508/443-0183.

TO OUR READERS IN FRANCE
It's never been easier to subscribe and save with our new toll free service.
Just call us today at 05-437 437

Herald International Tribune
THE WORLD'S DAILY NEWSPAPER

PLANNING TO RUN A CLASSIFIED AD?

EUROPE

PARIS: (HQ) 181 Ave. Charles-de-Gaulle, 92521 Neuilly Cedex. Tel.: (1) 41 43 93 85. Fax: (1) 41 43 93 70.

ANDORRA: Guido A. Benini - B.P. 279 PF.Andorra la Vella. Principality of Andorra. Tel.: 867 813, Fax: 867 823.

GERMANY, AUSTRIA & CENTRAL EUROPE: Friedrichstrasse 15, D-60323 Frankfurt. Tel.: (069) 72 67 55. Fax: (069) 72 73 10.

BELGIUM: Dorothea Schwarz, 57 rue J.B. Colyns, B-1060 Brussels. Tel: 343.18.99, 344.00.84. Fax: 346.03.53.

GREECE & CYPRUS: Pamedia Athen SA, 32 Kifissias Ave., Atrina Centre, Building A' - GR 151 25 Maroussi, Athens, Greece. Tel.: +301/68 51 525. Fax: +301/68 53 357.

DENMARK: E.M. Kjøbsen Kastelvej 8, DK-2100 Copenhagen, Denmark. Tel.: 31 42 93 25.

FINLAND: Eki Matila, Oy Publiscan AB, Fredrikinkatu 33B, SF-00120 Helsinki, Finland. Tel.: 646 500. Fax: 646 508

ITALY: Gianni Saddu, Via Cassala, 6 Milano 20122 Italy. Tel.: 58315738. Fax: 546 2573

LUXEMBOURG: Arthur Meisner, 57 rue J.B. Colyns, B-1060 Brussels. Tel.: 343.18.99, 343.19.14. Fax: 346 03 53.

NETHERLANDS: Dianne M. Biederberg, Buyskade 31 E, 1051 HT Amsterdam. Tel.: 31.20.6841080. Fax: 31 20 6881374.

NORWAY & SWEDEN: Finn Iskhl, P.O. Box 115 5040 Paradis, Bergen, Norway. Tel.: (47) 55 913070. Fax: (47) 55 913072.

PORTUGAL: W. Bishop Lda. P.O. Box 1081. 2775 Parede, Lisbon, Portugal. Tel.: 351-1-457-7293. Fax: 351-1-457-7352.

SPAIN: Alfredo Unikoff. Doctor Fleming,53-1,28036 Madrid. Tel.: 3508789. Fax: 3509257.

SWITZERLAND: Marshall Walker. P.O. Box 511, 1009 Pully, Switzerland. Tel.: (021) 728 30 21. Fax: (021) 728 30 91.

TURKEY: Sabo Sarol, Cumhuriyet Caddesi, 169/5, Balso Apt. Kat. 4, Elmadag 80200, Istanbul. Tel.: (9021)2 230 5996/232 7150. Fax: (9021)2 247 9315.

UNITED KINGDOM: 63 Long Acre, London, WC2E 9JH. Tel.: 0171 836 4802. Telex 262009. Fax: 2402254.

MIDDLE EAST

BAHRAIN: Fenella Flanagan, P.O. Box 10787, Manama, Bahrain. Tel./Fax: 591734.

ISRAEL: Dan Ehrlich, P.O.B. 99, Herzliya 46101, Israel.Tel Aviv. Tel.: 972-9-586245. 972-9-586246. Fax: 972-9-585685.

JORDAN: Farouk Zou'bi, P.O. Box 811738, Amman, Jordan. Tel.: 624430. Tlx: 22277 MKID.

KUWAIT: Wendy Reid, c/o 63 Long Acre, London, WC2E 9JH. Tel.: 071 836 4802. Fax: 071 240 2254.

LEBANON, SYRIA: Raula Ajouz, IHT, P.O. Box 99, Beirut. Tel.: (9611) 344222. Fax: (9611) 326503.

OMAN: c/o Bahrain Tel./Fax: (973) 591734.

QATAR: Adel Sultan, P.O. Box 3797, Doha, Qatar. Tel.: 416535/411177. Fax: 412727.

SAUDI ARABIA: Contact London, 63 Long Acre, London WC2E 9JH. Tel.: 71 836 4802. Fax: 71 240 2254.

UNITED ARAB EMIRATES: Mr. Ravi Rao, P.O. Box 22156, Sharjah, United Arab Emirates. Tel: (06)351133. Fax: (06)374888. Telex: 68484 TRNGLF.

REPUBLIC OF YEMEN: Shoaiy Lugman, P.O. Box 19770, Sana'a, Republic of Yemen. Tel./Fax: (967-1) 217046.

SOUTHERN AFRICA

Margie Ogilvy, Promotion (Pty.) Ltd., P.O. Box 130351, Bryanston 2021, Tel: 706.14.08. Tlx: 421059. Fax: 706 34 66.

NORTH AMERICA

NEW YORK: 850 Third Ave., 8th fl, New York, N.Y. 10022. Tel.: (212) 752-3890. Toll free: (800) 572-7212. Tlx: 427 175. Fax: 212-755-8785.

FLORIDA: Shirley Uberbaum, Blynn, Richards & Associates, 1320 S. Dixie Highway Suite 1190, Coral Gables, FL 33146. Tel.: (305) 662-5611. Fax: (305) 662-7103.

TEXAS: Pepper Murphy, 4040 Sycott, Apt. 307, Houston, Tx 77082. Tel.: 713-496-9603. Fax: 713-496-9584. Toll Free: 800-526-7857.

CANADA

TORONTO: Fenn Company Inc. 2130 King Road, Box 1060, King City, Ontario L7B 1B1 Phone: 905-833-6200. Fax: 905-833-2116.

LATIN AMERICA

ARGENTINA: Jorge Martin Sullivan Coronel Diaz 2639 - 14 piso A, P.O. Box 1425 Buenos Aires - ARGENTINA Phone/Fax: (54 1) 802 37 04.

BRAZIL: Freddy Bilyk, Brazmedia Int'l. Al.Gabriel Monteiro Da Silva, 366, 01445-900 Sao Paulo, SP, Brazil. Tel.: 853 4133. Fax: 852 8485.

CHILE: Manuel Achurra, Hotelsacos 863 Piso 9 Casilla 2508, Santiago de Chile. Tel.: (56 2) 632 01 26. Fax: (56 2) 632 79 37.

ECUADOR: Luigi Lorlermo, Lorlermo y Asociados, Consultores, Cia LTDA, 9 de Octubre 109y Malecon. P.O. Box 10 144 Guayaquil. Tel.: 328181/325248. Tlx: 3196.NU GUR. ED. Fax: 321266.

MEXICO: Manuel Ruiz, Globe Media Latin America, Amores 707 Dep. 202, col. Del Valle, Mexico D.F. Tel.: 536 5690. Fax: 682 8122.

PERU: Fernando Sarmiento, Alvarez Calderon 155, Piso 2, San Isidro, Lima-27, Peru. Tel.: (5114) 417852. Tlx: 20469 GYDSA. Fax: 416 422.

URUGUAY: Iris Parodi, 21, De Septiembre 2837, Montevideo. Tel.: 71 50 42 / 44 / 45. Fax: 71 17 67.

ASIA/PACIFIC

HONG KONG: Makysia Bldg., 7th Floor, 50 Gloucester Road, Hong Kong. Tel.: (852) 2922-1188. Tlx.: 61170 IHTHX. Fax: (852) 2922-1190.

INDONESIA: Paula Kalangie, Pacific Intermedia, 16th, fl., Artholoka Building, Jalan Jend Sudirman No. 2, Jakarta Pusat. Tel.: 251 1484. Tlx: 65722 LOKA IA. Fax.: 251 2501.

JAPAN: Morooya Inaiida, International Herald Tribune Advertising Office Japan- 1F Mainichi Newspapers 1-1-1, Hitotsubashi, Chiyoda-Ku Tokyo, Japan 100. Tel.: 32 01 02 10. Tlx: J33673. Fax: 32 01 02 09.

SINGAPORE, BRUNEI: 138 Cecil Street, Cecil Court # 07-02, Singapore 0106. Tel.: (65) 2236478. Tlx.: 28749. IHT SIN. Fax: 224 15 66.

THAILAND, BURMA: Yvan Van Outrive, Immediate Media Ltd., Room 7-D, 7th fl., Vanissa Building, 29 Soi Chidlom, Ploenchit Road, Pathumwan, Bangkok 10330. Tel.: 257-9164, 257-9165. Fax: 257-9166.

AUSTRALIA

MELBOURNE: Brendan Gulliver, Hawes & Gulliver Pty. Ltd., Level 50, 101 Collins Street, Melbourne 3000. Tel.: (61-3) 96 50 11 00. Fax.: (61-3) 96 50 66 11.

BUSINESS MESSAGE CENTER

READERS ARE ADVISED
that the International Herald Tribune cannot be held responsible for loss or damages incurred as a result of transactions stemming from advertisements which appear in our paper. It is strongly recommended that readers make appropriate inquiries before sending any money or entering into any binding commitments.

IMPORT/EXPORT

JEEP GRAND CHEROKEE LTD'S 95's, 94's, 93's in quantity, all like new. U.S. dealer can supply all cars & 4X4's. Tel 407-656-2500, Fax 407-656-4900 USA.

POWDERED MILK, Holland origin, lowest prices, FAX USA: 1 (305) 474-3866.

ROBUSTA/ARABUSTA Ground coffee from Africa, lowest prices. FAX USA: 1 (305) 474-3866.

INFINITITE - CHEAP - CLEAN ENERGY
WITH COLD FUSION OF HYDROGEN
I AM HOLDER of a PATENT describing process and device allowing to make the so called "cold fusion" of hydrogen.
I am seeking financial support to create company to exploit the patent. Ecological Society welcome.
Write to: AMMAN PATENTANWALTE AG BERN
"Fusion de l'hydrogene"
Schwarztorstr. 31, CH-3001 Bern, Switzerland.
Fax (41) 31 381 76 15
Telex 912105 AMAN CH

INDEPENDENT WHOLESALERS WANTED
Levi Jeans, Calvin Klein
Polo, Ralph Lauren clothing
Gant clothing
American exporter seeks independent wholesalers. We are not an authorized solo distributor.
Fax: (904) 998-8008 USA

We Purchase All Apparel categories. No purchase too large. Irregulars ok. Domestic or offshore manufactured for U.S. market.Supreme Fulfillment Tel:213-726-2989 Fax:213-726-1605 US Attn: Ms. Raion

GENERIC CIGARETTES, American blend tobacco, lowest prices, private labelling available. FAX USA: 1 (305) 474-3866.

BICYCLES 26" WHEELS, single speed, China origin, lowest prices. FAX USA: 1 (305) 474-3866.

GRADE "A" WHITE REFINED SUGAR S.A. origin, authentic. Fax USA: 1 (305) 474-3866.

FROZEN CHICKEN AND PARTS USA origin, low prices. FAX USA: 1 (305) 474-3866.

LEVI 501'S. Used and New. Quality jeans direct from the USA. Reliable Supplier. Fax: 503-628-0749 USA.

BUSINESS OPPORTUNITIES

Global Business
& TRADE OPPORTUNITIES NON-STOP
No payment; No subscription; No fuss.
Delivered to your fax when you ask
Lift handset connected to your fax
For Info Dial +852-172-77-310
push "Start" when you hear tone,
or set fax to poll-receive, & dial
(Calls at usual Hong Kong IDD rate)
INTERMART
29 Welbeck St, London W1M 8DA UK
Fax Helpline +44-990-143-462

OFFSHORE COMPANIES
● READY MADE CO's, FULL ADMIN
● TRADE DOCUMENTS AND L/C
● BANKING & ACCOUNTING
● CHINA BUSINESS SERVICES
Contact Stella Ho for immediate services & company brochure
NACS LTD, Room 906, Albion Plaza, 2-6 Granville Road, Tsim Sha Tsui, Kowloon, Hong Kong
Tel 852-27241223 Fax 27224373

DELAWARE INCs, LLCs
Deal direct with Delaware agent, save money on USA company formation. Delaware Inc. or LLC. $350 USD. Fast, reliable, complete service in all US states. Free info. Call or fax:
CorpAmerica, Inc.
1050 S. State Street, Dept. H
Dover, DE 19901
Tel: 302-736-5510
Fax: 302-736-5620
Internet: http://www.corpamerica.com

YOUR OWN COMPANY IN SWITZERLAND
ZURICH * ZUG * LUZERN
CONFIDESA AG
Baarerstrasse 36, CH-6300 Zug.
Tel: +41 42 21 32 88 Fax 42 22 10 49

OFFSHORE BANK Class A US$ 30,000. Class B US$ 15,000. Tax free venue. Limited number available immediately. Call Canada (604) 814-9995 24 hr. or Tel/Fax (604) 942-6169 or 3179 or London 0171 394 5157.

STOCK LOTS REQUIRED: Of good quality and very cheap prices for summer goods. - Gents & ladies on regular basis for Russian market. Send offers by Fax to: + 7 095 267 46 70 Attn: Samira.

INTERNATIONAL MARKETING Seeking Key Leaders to develop European markets. Unlimited income potential for ambitious leader with organizational skills. Call Dr. Barsky: 301-871-2829 or fax 301-871-6267 USA.

INT'L SOCIETY OF FINANCIERS
Networking for full-time professionals with projects for funding or funding for projects. FREE Airmailed Report. 704-252-5907 Fax: 704-251-5061 USA

ESTABLISHED COMPANY FOR SALE with rights and customers for DOS based information system. For information please call Ms Black +44 (0) 181 971 4000

RUSSIAN SPEAKING BANKER required to provide consultancy services to a Russian speaking businessman with international business connections. Tel/Fax 44 181 519 8419

OFFSHORE COMPANIES. For free brochure or advice Tel: London 44 181 741 1224 Fax 44 181 748 6558 (computer fax) or 44 181 748 6338

TAX EXEMPT Yacht Registration, Foundations, Companies, US$ 750. CONSULT, P.O. Box 402, Gibraltar. Fax +350 77848

TRADING COMPANY OFFERING Services including import/export buy & sell and barter. 1M+ only. Call 305-682-0440, Fax: 305-682-1144 USA.

EUROPEAN & ASIAN territories available for new security leather wallets. Call Alan Green in NYC 718-392-4890 or FAX. 718-472-4726.

TRAVEL AGENCY & HOME FOR SALE in Austin, Texas. Contact Nilly Hazlewood Tel: 512-479-8995 or Fax: 512-479-6858 USA.

ANONYMOUS Bank Accounts. Offshore banking, secured credit cards. Free info fax 00 90 392 22 86 328

OFFSHORE COMPANIES: JPCR, 3rd fl., 1 Athol Street, Douglas, Isle of Man. Tel: (0624) 629529 Fax: (0624) 629662.

2nd TRAVEL DOCUMENTS. Driving licences. GM, 2 Pentelicou, Vouliagmeni, Athens 16671, Greece. Fax 8962152.

BUSINESS SERVICES

DIPLOMATIC DOCUMENTS, officially issued honorary consul documents, diplomatic status and 2nd travel documents. Call from you fax machine +(352) 42 92 95 document No. 724

ARCHITECT, ENGINEER, INTERIOR DESIGNER 28 years professional experience worldwide will assist in your design/construction project, any location. Call Paris (33-1) 45 08 99 47

YOUR OFFICE IN LONDON
Bond Street - Mail, Phone, Fax, Telex
Tel: 44 171 499 9192 Fax 171 499 7517

(AMERICAN ENGLISH) EDITOR Make your message clear for the USA. Quick. Correct. FAX 805-569-3136.

DIPLOMATIC APPOINTMENTS & second travel documents available. NWT Resources Fax +1-604-876-4501.

SERVICED OFFICES

EMPIRE STATE BUILDING ADDRESS
Best known address in the USA. Gain instant credibility. Mail, Phone, Fax.
Tel: (212) 736-8072 Fax (212) 564-1135.

YOUR OFFICE IN LONDON 70p per day. Mail, Phone, Fax, Tlx, all services. Tel (171) 436 0766, Fax (171) 580 3729

YOUR OFFICE IN N.Y. $150/mo. Mail, Phone, Fax, Telex, all services. Call USA 212-909-0515/Fax 212-909-0322

OFFICES AND SERVICES ALL AROUND THE WORLD
GLOBAL OFFICE NETWORK
Leading Business Centers of the World
● Serviced offices & conference rooms to rent for 1 hour, 1 day, 1 month...
● Personalized telephone, answering and secretarial services
● Permanent business address
* AUSTRIA Vienna/Salzburg Tel 43-662-8681-0 Fax 43-662-8681-111
* BELGIUM Brussels Tel 32-2-229-2299 Fax 32-2-217-4297
* CZECH REPUBLIC Prague Tel 42-2-61214853 Fax 42-2-61215105
* FRANCE Paris/Nice/Lyon/Nantes/Toulouse Tel 33-1-4069 2625 Fax 33-1-4069 2624
* GERMANY Berlin/Bad Homburg Dusseldorf/Essen/Frankfurt Munich/Nuremberg Tel 49-30-88585122 Fax 49-30-88585123
* HUNGARY Budapest Tel 36-1-268-19-19 Fax 36-1-268-1928
* INDIA/ ASIA Bombay/Calcutta/New Delhi/Madras/ Bangalore/ Secunderabad Tel 91-22-287-2641 Fax 91-22-287-2640
* ITALY Rome/Milan/Bari/Bologna/ Cagliari/Firenze/Padova/Verona Tel 39-49-82-35811 Fax 39-49-87-22703
* THE NETHERLANDS Amsterdam Tel 31-20-55-49-222 Fax 31-20-62-75-859
* MONACO Tel 33-92-05-58-18 Fax 33-92-05-58-28
* SINGAPORE Tel 65-336-6577 Fax 65-339-5291
* SPAIN Barcelona/Madrid Tel 34-34-87-2342 Fax 34-34-87-9676
* UNITED KINGDOM London/Bristol/ Altrincham/Edinburgh/Newbury/ Reading Tel 44-171 9179835 Fax 44-171 8951353
* USA/ CANADA: 76 Locations Tel 1-214-380-9595 Fax 1-214-248-2925
Over 110 cities throughout the world

CAPITAL WANTED

INVESTORS WANTED for chic upscale hair salon in Palm Beach, Florida (on Worth Avenue). Int'l stylist-product line to market. More details contact: FES Inc. Tel/Fax: 407-659-4916 USA

CAPITAL AVAILABLE

ANGLO AMERICAN GROUP PLC
PROJECT FINANCE
VENTURE CAPITAL
GLOBAL COVERAGE
NO MAXIMUM
BROKERS WELCOME
For Corporate Brochure and information pack
Tel: +44 1924 201 365
Fax: +44 1924 201 377
You are welcome to visit us.

** IMMEDIATE & UNLIMITED **
Capital available for
ALL business projects!
MIN U.S. $1 mil./no max.
Int'l Business Consulting
(717) 397-7490 (U.S. FAX)
http/www.intbusicon.com (Internet)

PROJECT FUNDING - $1M
- NO Middlemen - World-Wide, MBA Professionals - Fax - ABS International Ventures - +44 - 1484 - 866480

Dial from your fax 66 2 2583692 Enter 1996 and press start

FINANCIAL SERVICES

IF YOU HAVE BONDS, CDs, FDs or gold we can help to double or triple your returns without risks. Min. US$1M. Tel/Fax (65) 4486273.

FUNDING PROBLEMS ?
VENTURE CAPITAL
EQUITY LOANS
REAL ESTATE
Long Term Collateral
Supported Guarantees
(Commissions earned only upon Funding)
Bankable guarantees to secure funding for viable projects arranged by:
BANCOR OF ASIA
Fax (63-2) 810-9284
Tel: (63-2) 894-5358
Broker's Commission Assured

U.S. DOLLARS AVAILABLE
● Bank Debenture Programs
● Venture Capital/All type projects
● Equity Loans/Bridge Loans
● Import/Export Financing
$1M-$100M Funds Bank Guaranteed
Tel: 1-809-356-6313 Fax:1-809-323-8052

FINANCIAL INVESTMENTS

INTERESTED IN PUTTING up a 100 % EOU project in India for a heavy demand product. Invitations invited for financial participation, technology transfer and long term buy back. Please send concrete offers by Fax to: +7 095 267 46 70 Attn. Subir

FINANCIAL HOT NEWS:
Invest in Escrow funds from Russia and earn high interests.
If importing from India, Pakistan, China, Indonesia - Route funds through Escrow L/Cs and save. Fax enquiries to: + 7 095 267 46 70 Attn. Alexander

NO RISK investment. Guaranteed 25% p.a. interest. No a pyramid scheme. Write for details: "House of Genova", Dumaroao, Capiz, Philippines 5812

COMMERCIAL & INVESTMENT PROPERTIES

SALES

COTE D'AZUR - ANTIBES, very beautiful 2,000 sq.m. land for sale: flat, facing south, outstanding sea view. Call (33) 93 33 71 75. Fax 93 34 81 60

FOR SALE, URGENT: South of France, Saint Paul de Vence - Very beautiful restaurant situated on the main road. Magnificent terrace, veranda, luxurious fittings & equipment, parking. Nice lodgings possible. Tax advantages. Tel: (33) 93 32 70 30. Fax: 93 32 90 26.

COMMERCIAL & INDUSTRIAL REAL ESTATE
appears every WEDNESDAY.
Herald International Tribune
To place an advertisement please contact your nearest IHT representative or in Paris:
Fred Ronan: (1) 41 43 93 91
Fax: (1) 41 43 93 70

"BUSINESS OPPORTUNITIES"
appears every Wednesday

BUSINESS OPPORTUNITIES

HOW TO OBTAIN BELIZE CITIZENSHIP AND PASSPORT
This young English speaking Commonwealth democracy accepts applications for Economic Citizenship from persons of good standing based on a contribution of US$ 50,000 (plus consultants fees) whether for an individual or for a family. A Belizean passport, which is renewable after 10 years, offers visa free travel to approximately 80 countries. For information or immediate service contact:
In Europe, Peyman Zia, Director
INTERNATIONAL COMPANY SERVICES (UK) LIMITED
Standbrook House, 2-5 Old Bond Street, London, W1X 3TB
Tel +44 171 493 4244. Fax +44 171 491 9605. E-Mail uk.info@icsl.com
In Asia, Howard Bilton, Director
SOVEREIGN TRUST INTERNATIONAL
Suites 1-3, 16th Floor, Kiswick Centre,32 Hollywood Rd, Central, Hong Kong.
Tel +852 2 542 1177. Fax +852 2 545 8550. E-Mail hk.info@icsl.com
http://www.icsl.com

INCORPORATE IN THE USA 1899
Protect Your Personal Assets
• Incorporate in any state, including Delaware, Nevada & Wyoming
• LLC's (Limited Liability Companies)
• In as little as 48 hours
Corporate Agents, Inc.
Fax (302) 998-7078
CompuServe GO INC
http://www.corporate.com
302-998-0598

LIECHTENSTEIN & WORLDWIDE OFFSHORE COMPANIES
● COMPANY FORMATION - READY MADE
● MANAGEMENT AND ACCOUNTANCY
● INTERNATIONAL TAX, LEGAL AND TRUST SERVICES ● BANK INTRODUCTIONS
● ASSET PROTECTION ● TRADE SUPPORT
● TELEPHONE AND MAIL FORWARDING
Free Brochure available in English, German, Italian, Russian
Intercompany Management
P.O. Box 4431
6304 ZUG - Switzerland
Fax (41) 42 - 225084

Sculpture World™
A Goldmine Turning Photos and Posters into Multi-Dimensional Acrylic Art. Sells from $5-$500+. Huge Mark-Ups.
You Are In Control as a Franchisee. Low Overhead. Complete Equipment, Training and Support.
"This is the Alternative to Framing"
Best New Product 1995
Investment $16-$29,000* U.S.D.
716-691-1750
FAX: 716-691-1766

OFFSHORE BANKS
INSURANCE COMPANIES
COMPANIES & TRUSTS
ASSET PROTECTION
IMMIGRATION/PASSPORTS
TRADE/FINANCE
ASTON CORPORATE TRUSTEES LTD
19 Peel Road, Douglas, Isle of Man, IM1 4LS
Tel: 01624 626591
Fax: 01624 625126
London Tel: (171) 222 8866
Fax: (171) 233 1519

Do you want to cut your international phone bills in half?
New World Telecommunications
• Callback industry's lowest rates • 24 hours a day, 7 days a week • Perfect for home, office, car, • cellular or hotel phones
CALL, FAX, E-MAIL FOR RATES AND INFO
Call: (201) 986-1670 Fax: (201) 986-1670
1402 Teaneck Road • Suite 133
Teaneck, New Jersey • 07666 • U.S.A.

Second Travel Documents/Citizenship
Diplomatic status or honorary consulate to be awarded to solvent businessman. Journeys without visa. Settlement via notary or lawyer possible.
S.D.S. Inc, Douglas, Isle of Man
Fax: ++49-171-5037223.

OFFSHORE BANKS
◆ Merchant/commercial bank
◆ Class A unrestricted license
◆ No qualification requirements
◆ No taxes or treaties
◆ Total anonymity
◆ Bearer shares OK.
◆ Immediate delivery
◆ Includes trust company
◆ Complete package US$30,500
◆ Limited number of banks available
Call or fax for free details!
Ron Jensen
London Tel. 0171 394 5157
Canada Tel. (604) 816-9595
24 Hr. Tel./Fax: (604) 942 6169/3179

WORLDWIDE COMPANY FORMATIONS
Choice of 90 Jurisdictions
Total confidentiality
Same day formation
Nominee services
Accountancy services
Yacht Registration
Cali Barrons Formation Services Inc
Tel + 44 (0) 1222 777756
+ 44 (0) 589 604093 (24 hr service)
Fax + 44 (0) 1222 798278

INCORPORATE IN THE USA
DELAWARE LLCs
For as little as $79 Plus state fees
(302) 652-4800
FAX 302-652-6760
CorpCo

PROJECT FUNDING WANTED
PRIVATE ENERGY DEVELOPMENT COMPANY REQUIRES:
SUBSTANTIAL AND IMMEDIATE
PROJECT/VENTURE and/or EQUITY CAPITAL
FOR:
UNIQUE, ENVIRONMENTALLY SAFE, MAJOR ENERGY DEVELOPMENTS
FUNDS REQUIRED: (Stage 1) US $ 100 m
LOAN PERIOD: TEN YEARS - INTEREST NEGOTIABLE
TERMS & CONDITIONS - NEGOTIABLE - SECURITY AVAILABLE
Reasonable Fees/ Commissions negotiated and guaranteed
Part investment - Units of US $ 10 m acceptable
NOTE Payment of up front fees/costs of any nature will NOT be considered - Please do not ask.
FULL DETAILS AVAILABLE TO GENUINE ENQUIRIES
PLEASE PROVIDE FULL DETAILS OF FUNDS AVAILABLE TO:
CLEAN ENERGY INVESTMENTS INC. FAX (66 2) 216 8228

TELECOMMUNICATIONS

SAVE ON INT'L PHONE CALLS!
Call the U.S. or elsewhere and save over 50% compared to other phone companies. Kallback is on the AT&T network for unsurpassed clarity and reliability. Call from home, office, even hotels!

Per Minute Rates to the U.S.A.:

From France	$.49
From Germany	$.49
From Hong Kong	$.60
From Japan	$.48

Call for our new rates and start saving today!
Lines open 24 hrs!
Call: 1-206-216-1200
Fax: 1-206-216-1300
Email: info@kallback.com
the original kallback
417 2nd Ave. W.
Seattle, WA 98119
USA

INTERNATIONAL FRANCHISE OPPORTUNITIES

SUNQUEST WOLFF TANNING EQUIPMENT
Australian Gold Tanning Products
Caribbean Gold Tanning Products
Australian Gold Skincare
Exclusive Distributorships
ETS, Inc. has distributorships available for the world's largest distributor of tanning equipment & world's fastest selling tanning products and accessories are now available. Tremendous opportunity for self-motivated persons interested in having their own business. Minimum investment $10,000.
ASK FOR:
Mr. Glenn
Tel.: 1-317-290-6992 or 800-228-6292
Fax: 1-317-329-4619 U.S.A.

Save up to 69% on International Calls
CALL NOW!
Digital Clarity
Six Second Billing
Faster Call Backs
No Carrier Change-over
24 Hr Customer Service
PRIME CALL™
Your International Telephone Service
Tel: 1-206-328-0123
Fax: 1-206-328-7580
Email: primecall@compuserve.com
Hong Kong • Kuala Lumpur • Tokyo • New York • Seattle

For investment information
Read the MONEY REPORT every Saturday in the IHT

LEGAL NOTICE

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
WACO DIVISION

UNITED STATES OF AMERICA, Plaintiff,
v.
CHARLES FREDERICK POFAHL, Defendant.
CRIMINAL NO. W-91-CR-38-(1)

NOTICE OF JUDGMENT OF FORFEITURE, PURSUANT TO TITLE 21 UNITED STATES CODE § 853 (A) (1), (G) AND (N) (1) THROUGH (N) (7), AND INTENT OF THE UNITED STATES OF AMERICA TO DISPOSE OF PROPERTY

TO ANY AND ALL THIRD PARTY INTERESTS which may exist in the following properties:

1. Any and all funds, to include accrued interest, on deposit in Account #69261 AL, Trade Development Bank, Luxembourg (amount unknown);
2. Any and all funds, to include accrued interest, on deposit in Account #48881 TZ, Trade Development Bank, Luxembourg (approximately $83,500 U.S. dollars);
3. Any and all funds, to include accrued interest, on deposit in Account #650291, Republic National Bank of New York, Luxembourg (amount unknown);
4. Any and all funds, to include accrued interest, on deposit in Account #250001, Republic National Bank of New York, Luxembourg (approximately $10,000 U.S. dollars and 200,000 Deutschmarks);
5. Any and all funds, to include accrued interest, on deposit in Account #40181, Skandinaviska Enskilda Bank, Luxembourg (approximately $204,159.61 U.S. dollars);
6. Any and all funds seized from Otmar Wachenheim on or about September 28, 1989, by French Customs Officials and at one time in the custody of French Customs Officials at Thionville, France (believed to be approximately 470,000 Deutschmarks or $ 282,000 U.S. dollars);

forfeited to the United States of America from DEFENDANT CHARLES FREDERICK POFAHL, pursuant to the provisions of Title 21 United States Code § 853 in Criminal Cause Number W-91-CR-38(1) filed at the United States District Court, Western District of Texas, Waco Division: You are hereby notified of the entry of the Judgment of Forfeiture of said sum from said individual in said criminal cause number and you are further notified of the intent of the United States of America to dispose of the forfeited property in such manner that the Attorney General of the United States may direct. You may assert any and all third party interests in the forfeited property by filing a petition asserting such interest in the forfeited property in Criminal Cause Number W-91-CR-38(1) at the United States District Court, Western District of Texas, Waco Division,

NYSE

Tuesday's 4 p.m. Close

Nationwide prices, not reflecting late trades elsewhere, *The Associated Press.*

12 Month High	12 Month Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
		A-B-C								
21½	12¼	AAR								
26	20	ACM Inc								
7½	5	ACMO								
7½	5	ACMO								
7½	5	ACMO

NASDAQ

Tuesday's 4 p.m.

The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
		A								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		B-C								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		D-E-F								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		G-H								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		I-J-K								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		L-M								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		N-O-P-Q								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		R-S								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		T-U-V								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		W-X-Y-Z								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

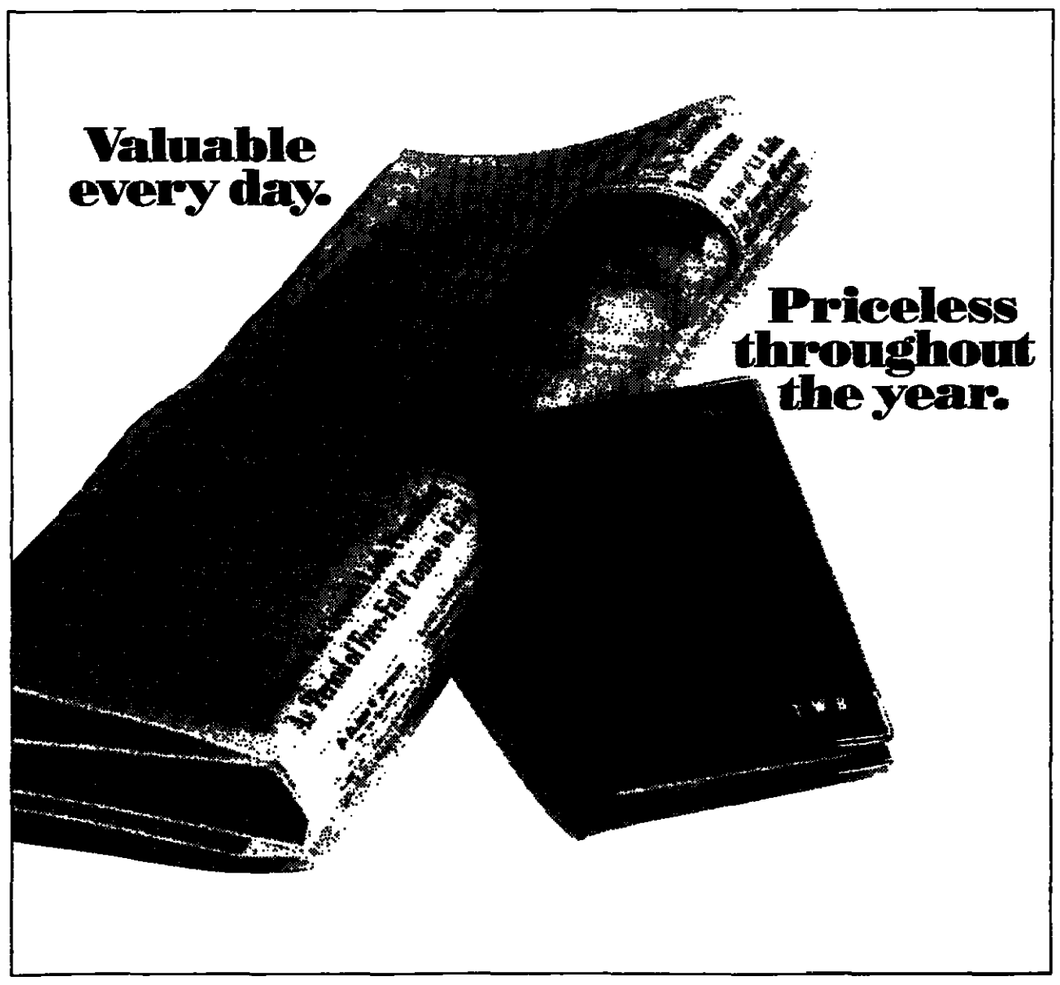
NYSE

Tuesday's 4 p.m. Close

(Continued)

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		O-P-Q-R								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		S-T-U								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Continued on Page 17



It's remarkable how many international business people find the International Herald Tribune gives them a valuable perspective on world affairs. Whether it's politics or sports, finance or the arts, the International Herald Tribune ensures you get a fully rounded daily *picture* of what's going on.

The International Herald Tribune pocket diary compliments the newspaper throughout the year. Compact, intelligently designed, smart and full of useful, authoritative facts and figures, it's a priceless accessory for the busy business person. And yet at just £22, it's exceptionally good value.

Measures 13 x 8 cm (5½ x 3in) • Black leather cover with gilt metal corners • Week-at-a-glance formal printed on French blue paper with gilded page edges • Notable dates and national holidays in over 90 countries: world time-zone tables; international telephone dialing codes and country prefixes; conversion tables of weights, measures and distances • Blue ribbon page marker • Removable address book • Each diary packed in a blue gift box • Blue notepaper sheets fit on the back of the diary – a simple pull removes top sheet. 100 refill sheets include. • Corporate personalization and discounts available. For details, fax Paul Baker at (44-181) 944 8243.

Please send me _____ 1996 IHT Pocket Diaries.

Price includes initials, packing and postage in Europe:

1–4 diaries	UK £22	(U.S. $34) each	INITIALS
5–9 diaries	UK £20.50	(U.S. $32) each	up to 3 per diary
10–19 diaries	UK £18	(U.S. $28) each	

__ Additional postage *outside Europe*: £4.50 (U.S. $7)

__ Check here for delivery *outside Europe* by registered or certified mail. £5.75 (U.S. $8.90) per package plus postage

Payment is by credit card only. All major cards accepted.
Please charge to my credit card:

__ Access __ Amex __ Diners __ Eurocard __ MasterCard __ Visa

Card No: _____ 20-12-95

Exp: Signature _____

Name: _____

Address: _____

City/Code/Country: _____

Tel/Fax: _____

Company EU VAT ID No: _____

International Herald Tribune
THE WORLD'S DAILY NEWSPAPER

Mail or fax this order form to: International Herald Tribune Offers, 37 Lambton Road London SW20 1W UK Fax (44-181) 944 8243

Asia Tracks Wall Street Fall

Late Rallies Keep Losses Below Dow's

Compiled by Our Staff From Dispatches

HONG KONG — Asian stock markets tumbled Tuesday in response to Wall Street's plunge Monday, but afternoon rallies kept the losses smaller than New York's 2 percent plunge.

Shares in Tokyo opened sharply lower, but the main market index was off less than 1 percent at the close. The Hang Seng Index in Hong Kong fell 120.10 points, or 1.22 percent, to 9,686.48, and Sydney shares skidded 1.1 percent.

Most other major Asia-Pacific markets showed smaller losses at the close, though sentiment had been damaged by the Dow's biggest point drop in four years and the fading of hopes for an interest-rate cut when the U.S. Federal Reserve Board's policy-setting committee met Tuesday.

The Pacific Rim component of the International Herald Tribune World Stock Index fell 1.04, to 132.25 in late trading.

"Most emphatically we're seeing a reaction to the Dow today," said Scott Callon, chief market strategist at BT Asia Securities Ltd. in Tokyo. The Dow Jones industrial average lost 101.52 points Monday, to close at 5,075.21.

Some analysts also cited fears that profit growth in the Asia-Pacific region would slow after the change in the U.S. rate outlook and profit warnings from several American companies.

High-tech shares such as Sony Corp. and Sharp Corp. slumped amid concern that a drop in U.S. corporate profits would hurt their U.S. sales. Sony fell 80 yen, to close at 5,580 yen ($54.73), and Sharp lost 20 yen, to 1,520.

"The key thing is that U.S. electronics stocks fell because their profit margins are getting squeezed," said Jeffery Lee, a fund manager at Allied Phillip Capital Management. This, he said, was also bad news for Asian companies that supplied parts or services to them.

Shares of other exporters in the region, including miners such as Broken Hill Pty. in Australia, also fell.BHP ended at 18.76 Australian dollars ($13.90), down 20 cents.

Banks such as HSBC Holdings PLC in Hong Kong and National Australia Bank Ltd. declined on disappointment over the rate outlook. HSBC ended at 113.50 Hong Kong dollars ($14.65), down 2 dollars; National Australia fell 50 Australian cents, to 11.78.

In Tokyo the Nikkei average of 225 stocks plunged more than 1 percent at the opening but ended with a loss of 170.59 points, or 0.88 percent, at 19,140.49.

Taipei's weighted index fell 30.75 points, or 0.60 percent, to 5,082 as investors soured on the country's electronics sector. In Sydney, the All Ordinaries Index tumbled 24.9 points, to 2,182.8, its biggest fall since Oct. 10.

Seoul was alone in defying the trend, as the composite index rose 23.58 points, to 890.76. Brokers attributed its gains to a technical rebound from a recent slide caused by South Korea's political turmoil.

Bond yields rose in Australia and Japan.

Australian bond prices fell for a second day, driving yields to one-month highs. The return on the benchmark bond due July 2005 rose two basis points, to 8.45 percent.

Japanese bonds also fell for a second day, as rising U.S. Treasury yields prompted concern that investors may look overseas for better returns. The yield on the No. 174 benchmark 10-year Japanese bond rose four basis points, to 2.685 percent. *(Reuters, Bloomberg)*

Price Rumors Send Car Buyers Rushing To Dealers in Beijing

Agence France-Presse

BEIJING — Rumors that car registration quotas are about to be cut and prices raised have unleashed a wave of automobile buying in the Chinese capital, residents and news reports said Tuesday.

The China Daily said so many prospective buyers had been flocking to car dealerships that sales in the past four weeks had equaled the total for the first 10 months of 1995.

"It's just like when the winter cabbages arrived in Beijing in November," said Xiao Fan, who had just bought a Skoda for 100,000 yuan ($12,000). "People were running through the streets like mad things."

The buying spree was set off by rumors that the municipal government was about to reduce the number of new cars it would allow to be registered in 1996 to 30,000 from 100,000 and to raise registration fees at the beginning of the year.

Beijing officials have refused to confirm or deny the rumors, which have also said car prices would be raised 30 percent next year. But they have said they intend to slow the rise in traffic in the capital.

Analysts said they doubted the car-price rumors, though they said a cut in the registration quota and higher registration fees were likely. If anything, car prices should fall in the medium term, they said, particularly if plans for tariff cuts on imported vehicles go ahead.

"We have no plans to raise prices in 1996," said a marketing executive at Volkswagen AG in Shanghai, where the company is producing the Santana saloon model in a joint-venture operation.

From 350,000 to 400,000 cars will be made in China this year, however, and even the current rush is considered unlikely to have much long-term effect in a sector where supply still far exceeds demand.

Land Sale Succeeds in Hong Kong

Compiled by Our Staff From Dispatches

HONG KONG — The government sold a plot of land for residential use Tuesday for more than analysts had expected, suggesting the territory's slumping property market may be ripe for a turnaround.

Amoy Properties Ltd. paid 860 million Hong Kong dollars ($111 million) for a 3,045 square-meter (32,764 square-foot) site on Stubbs Road, halfway up Victoria Peak, zoned for private residential use. Analysts had expected a price of around 790 million dollars.

"It was a very good result," said T.J. Mills, the government's land agent. But he warned that the sale was "not indicative of the whole market."

Tony Chan, a managing director of the local property concern Ricacorp, said the Stubbs Road plot had sold for 15 percent to 20 percent more than he had expected.

He said that although Hong Kong's large developers had not raised their hands at the auction, the fact that they had shown up was a sign of their renewed confidence in the market.

On the other hand, however, the government sold a commercial site for less than analysts had expected. Hon Kwok Land Development Co. paid 191 million dollars for a 550 square-meter site in the Causeway Bay commercial district. Analysts had expected it to bring at least 205 million dollars.

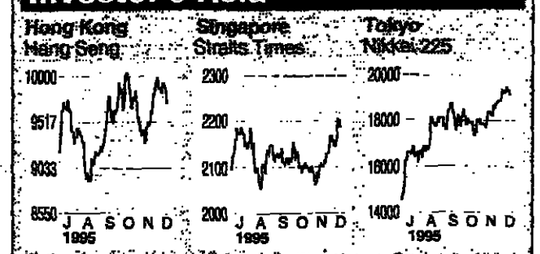
But Mr. Mills said the sale price was "not below my expectations," and that the two sales taken together showed the property market was close to "bottoming out."

Housing property prices have plunged over the past year because of rising interest rates and government measures to curb real-estate speculation.

Recent signs of the market's recovery have been mixed.

While the number and value of property transactions fell for a fourth consecutive month in October and mortgage lending growth slowed, some developers have started to raise prices on new apartments. *(Bloomberg, Reuters)*

Investor's Asia



Exchange	Index	Tuesday Close	Prev. Close	% Change
Hong Kong	Hang Seng	9,705.86	9,826.58	-1.03
Singapore	Straits Times	2,187.34	2,200.54	-0.60
Sydney	All Ordinaries	2,182.80	2,207.70	-1.13
Tokyo	Nikkei 225	19,140.49	19,311.10	-0.88
Kuala Lumpur	Composite	977.49	984.00	-0.66
Bangkok	SET	1,247.26	1,254.26	-0.56
Seoul	Composite Index	890.76	867.18	+2.72
Taipei	Stock Market Index	5,082.17	5,112.92	-0.60
Manila	PSE	2,476.15	2,491.66	-0.63
Jakarta	Composite Index	491.24	493.41	-0.34
Wellington	NZSE-40	2,097.08	2,112.77	-0.74
Bombay	Sensitive Index	3,037.91	3,042.96	-0.20

Source: Telekurs International Herald Tribune

Very briefly:

•**Japan's** Construction Ministry said plans were under way to spend 1.56 trillion yen ($15.4 billion) to expand Kansai airport, near Osaka, which opened more than a year ago.

•**Japan's** most widely watched measure of money supply, M2 plus certificates of deposit, grew 3.5 percent in November from a year earlier, to 538.5 trillion yen.

•**Iveco SpA**, an industrial vehicles unit of **Fiat SpA**, and China's **Nanjing Auto Work** have formed a joint venture to make industrial vehicles in China.

•**Broken Hill Pty.**'s takeover bid for **Tubemakers of Australia Ltd.** was unwelcome and unacceptable, the managing director-designate of the target company, Robert Every, said. The Australian conglomerate said Monday it would offer 1.17 billion Australian dollars ($867 million) for the 51.5 percent of Tubemakers it did not already own.

•**China** has postponed tariff cuts announced by President Jiang Zemin last month that were to take effect Jan. 1. A Foreign Ministry spokesman said the lower tariffs would be implemented "in the year to come."

•**The Philippine**'s trade deficit widened 9.5 percent from a year earlier, to $7.16 billion pesos ($273.1 million) in the first 10 months of the year, as economic growth pumped up demand for imports of electronics and communications equipment.

•**Skellerup Group**'s chief executive, Murray Bolton, launched a 400 million New Zealand dollar ($261 million) management buyout bid for the company. Skellerup is 30 percent-owned by Brierley Investments and was floated in 1993 as a New Zealand investment vehicle into which Brierley unloaded its assets.

•**China** awarded **Framatome SA, Cegelec SA** and **Schneider SA** of France and **GEC-Alsthom**, a British-French conglomerate, a contract valued at $100 million to help equip a nuclear power plant in the eastern part of the country. *(Bloomberg, Reuters, AFP)*

Kobe and Alcoa to Buy Australian Aluminum Mill

Compiled by Our Staff From Dispatches

TOKYO — Kobe Steel Ltd. and Aluminum Co. of America said Tuesday they would buy Comalco Ltd.'s aluminum rolling mill in the Australian state of New South Wales. They did not disclose the terms.

Kobe Steel and Alcoa said the Australian mill would become a 50-50 joint venture called KAAL Australia Pty., pending approval by the Australian investment review board.

Comalco, which is 67 percent owned by CRA Ltd., has been selling its production assets to concentrate on its bauxite-mining operations.

The mill, 25 kilometers (16 miles) west of Sydney, can process 100,000 metric tons of aluminum a year. The material is used for aluminum sheeting, plate and foil for Australia and aluminum cans for domestic and export use.

A Kobe spokesman said half the venture's output would be exported to Asia and Africa.

The companies also are likely to integrate Alcoa of Australia Ltd.'s Point Henry rolling works, which has annual output of 85,000 metric tons, with the operation acquired from Comalco. "After the integration of the two aluminium plants, we will be the only aluminium can supplier in Australia," a Kobe spokesman said.

Annual demand for aluminium cans in Asia is expected to reach 300,000 tons in the year to March 1996. *(Bloomberg, Reuters, AFP, AP)*

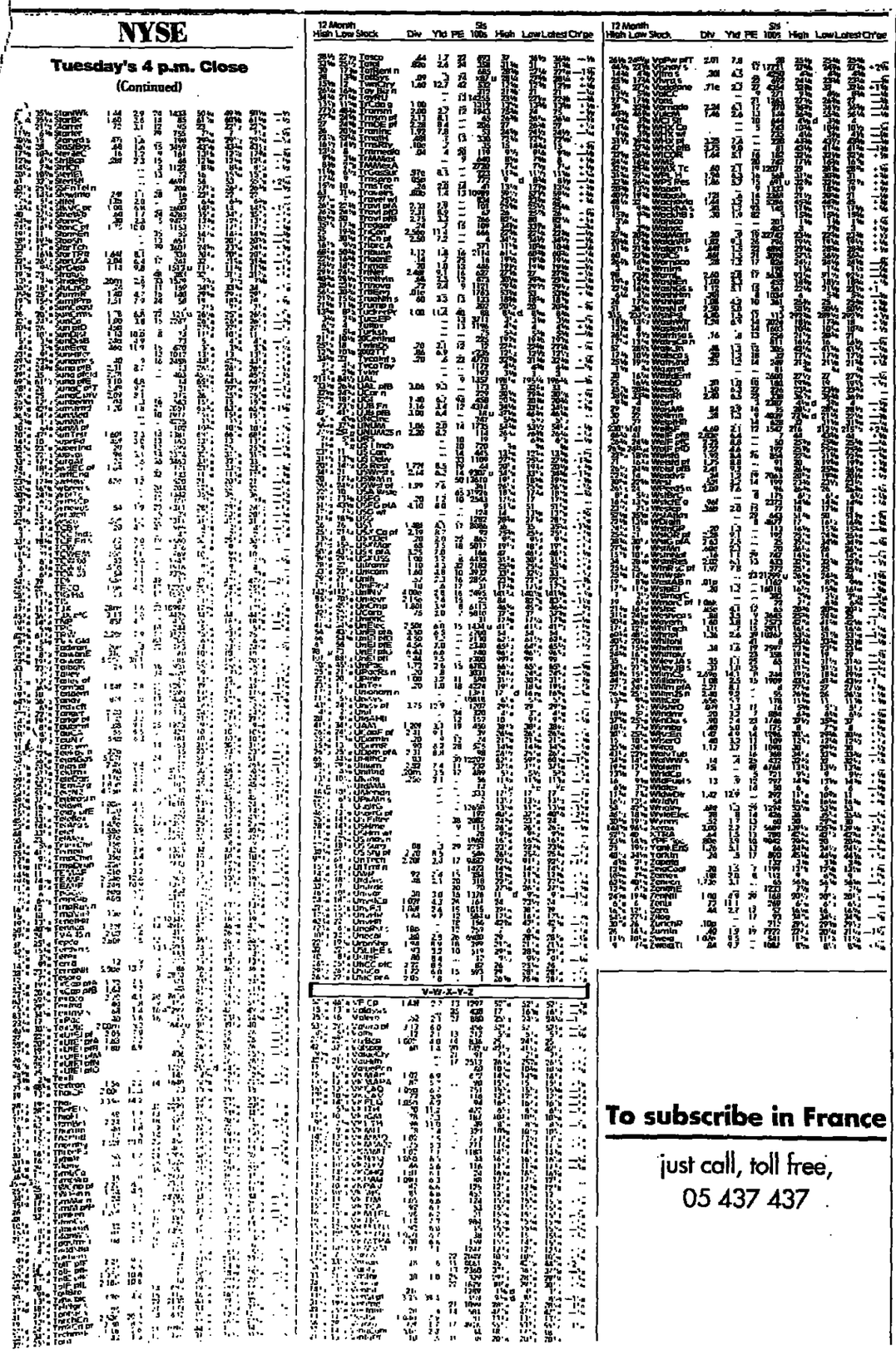
TO OUR READERS IN HOLLAND

It's never been easier to subscribe for more information just call 020 673 0757

NYSE

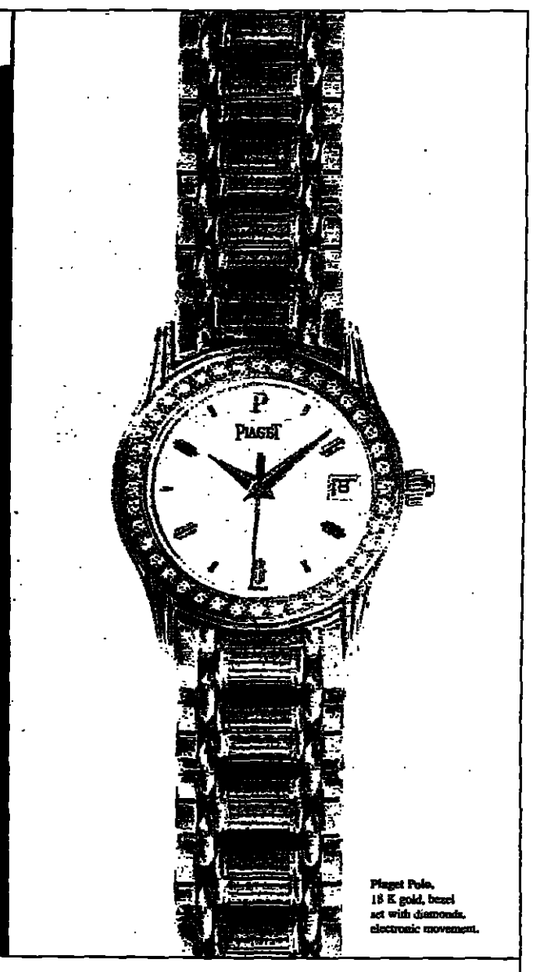
Tuesday's 4 p.m. Close

(Continued)



To subscribe in France

just call, toll free, 05 437 437



Piaget Polo. 18 K gold, bezel set with diamonds. electronic movement.

Exceptional character.

Since 1874, PIAGET watches have been manufactured in our own workshops in Switzerland. They are made exclusively of gold or platinum.

JOAILLIER EN HORLOGERIE PIAGET

PIAGET Boutiques : Geneva : 40, rue du Rhône - Paris : 16, place Vendôme and 51, rue François 1er
Monaco : 3, avenue des Beaux-arts - Hong Kong : Peninsula Hotel - Singapore : Ngee Ann City Centre - Kuala Lumpur : Shangri - La Hotel and at the best jewellers throughout the world.

هكذا من الأصل

Traveling to Sardinia

FOR THE COSMOPOLITAN traveler, the terms "Sardinia" ("Sardegna" in Italian) and "Costa Smeralda" have become almost interchangeable. The former is the second-largest island in the Mediterranean, with its own culture, traditions and mysterious monuments dating back to ancient times. The latter is a 55-kilometer stretch of coastline along the northeast tip of the island. It boasts the cleanest water, the most varied beaches and – in high season – the world's most luxurious yachts anchored in its harbors.

Sardinia's Emerald Coast (named for the unique color of its coastal waters) was developed by the Aga Khan for the discriminating tastes of his well-heeled friends and followers. In addition to a handful of world-class hotels, the area boasts luxury villas, an 18-hole golf course designed by Robert Trent Jones and equally prestigious tennis and yachting facilities.

One of the island's wonders is the variety of its coastline. Italians say you can find beaches reminiscent of the French Riviera, the Seychelles, the Caribbean or Polynesia, all in Sardinia.

Tall buildings are forbidden along the coast; construction must follow the natural contours of the land. Buildings must be earth-colored or otherwise blend in with the background. As a result, hotel space is limited, and even at the height of August you can find deserted beaches.

Life in the interior is in stark contrast to the glitter of the coast. Here, more than in other Mediterranean islands, you can find a mountaineering lifestyle very similar to that of a hundred years ago. The Sardi are more shepherds than fishermen, and their costumes, cuisine and folkloric traditions have been relatively uncontaminated by invaders.

Some 7,000 *nuraghi* – cone-shaped stone towers constructed without mortar by Sardinia's earliest known civilization – dot the region. The name lives on in Nuragus di Cagliari, the island's most popular white wine.

Other traces of the past can be found in the Domus de Janus, or houses of the spirits, tombs carved into the rocks in the center-west of the island, and in the stylized bronze sculptures on display in the National Archeological Museum in Cagliari.

Sardinia's 1.6 million citizens are proud, discreet and respectful of others. They are neither as aggressive as the Corsicans nor as closed as the Sicilians. "If you make friends with a Sardo," explains a mainland Italian who lives there, "it's for life." Although bandits do exist in the interior regions, along with shepherds and farmers, most residents live comfortably.

Getting Around

The 24,000-square-kilometer island is reachable by ferry from various ports in Italy and France or by air from a number of European cities. On the island, taxis provide in-town transportation at prices comparable to or less than those of mainland Italian cities.

Cabs are not metered: ask the fare to your destination when you enter the taxi. If the price seems too high, it may be wiser to change taxis than to barter. The Sardi are not greedy, but they are less inclined to barter than Sicilians or Romans.

An extensive bus system connects the island, and buses run frequently among the coastal tourist centers. Car rental is recommended, even if one is staying at an "all-inclusive" resort.

The plethora of side roads inviting exploration is one of the joys of a visit to Sardinia. Visitors can drive from Olbia in the north to Cagliari in the south in less than four hours on a wide, modern, toll-free road. All the major international car rental agencies have offices here. Perhaps the best way to tour is by boat or

PIX SA

motorcycle; rentals can be arranged in all major ports and tourist centers.

At a Glance

The Italian super-elite gather on the Costa Smeralda for the month of August. Pack an extensive bathing suit wardrobe and be prepared to change it at least twice a day.

Women's accessories should include expensive jewelry for the beach as well as the evening. If you think that's impractical for swimming, you don't belong here. No one can do *dolce farniente* (sweet nothingness) with more elegance than the Italians.

The executive who wants to take a busman's holiday will also find opportunities for golf or tennis, but remember that style is an important element in the deal-making ritual. Money is an essential but not sufficient component of this ritual. Currency exchange is not a problem in Sardinia: banks are open Saturday mornings, and there are ATM machines in the major coastal towns, where all major credit cards are accepted.

In a Word

The Sardo dialect won't be a problem to Italian-speaking visitors; residents of coastal areas all speak "pure" Italian as well as the local language. On the Costa Smeralda and other tourist centers, English, French and German are widely spoken.

Wining & Dining

In spite of the name, the Sardinian table does not rely exclusively on sardines or seafood.

There are excellent local fish, crustaceans and lobsters, but the island's cuisine is shaped primarily by its pastoral traditions: Some of its most characteristic dishes are based on lamb, goat and suckling pig cooked over aromatic wood fires.

No Italian region is without its pasta specialties, and in Sardinia these include gnocchi and *culingiones*, ravioli stuffed with ricotta cheese, spinach, eggs and saffron, and served with a tomato sauce.

Also popular is *succu tundu*, or *fregula*, small saffron-flavored balls of pasta cooked in bouillon.

Each Sardinian village has its own bread, but the island's best known is the thin, round *pane carsau*, called *carta di musica* (musical paper) because of the crunching noise it makes when eaten.

Among the most-appreciated wines in Sardinia are Vermentino, Torbato di Alghero and Vernaccio di Oristano.

Taxes and tips are included in restaurant checks, but small change may be left as an acknowledgement of good service.

Alghero: La Lepanto, via Carlo Alberto 135, Alghero, tel. 39 79 979116. The seafood served here is presented with a scrupulous respect for local tradition. Lobster is a feature, as is the fish soup whose ingredients depend on the catch of the day. Outdoor dining with a lovely view of your meal's source.

Arzachena: Grazia Deledda, 07021 Arzachena (Costa Smeralda), tel. 39 789 9898. This Michelin-starred establishment has taken Sardinia's culinary heritage and polished it to a high art. Suckling pig and lobster-stuffed ravioli are among its specialties.

Cagliari: Sa Cardiga e Su Schironi, 09012 Capoterra (just outside Calgiari on the road to Pula), tel. 39 70 71652. Rustic setting and seafood of impeccable freshness. *Spaghetti alla bottarga* (spaghetti with fish roe) is recommended.

Su Meriagu, Sant'Andrea at Quartu Sant'Elena (just outside Caglari), tel. 39 70 890842. Operated by two sisters from the interior of the island, this restaurant's highlights include hams and sausages, roasted meats and culingiones. Sweet cheese fritters are a typical dessert.

Nuoro: Fratelli Sacchi, Nuoro (on Mount Ortobene), tel. 39 784 31200. A restaurant featuring mountain-cured hams and sausages and cheese-stuffed ravioli. An ideal spot for lunch while spending a day hiking in the area.

Oliena: Su Gologone, in su Gologone outside Oliena, tel. 39 784 287512. A renowned establishment decorated with rustic charm by local artisans. Among the specialties are suckling pig, roasted goat and *pani frattau* (crisp bread in broth).

Oristano: Il Faro, via Bellini 25, Oristano, tel. 39 783 70002. Authentic Sardinian recipes enjoyed in comfort and honored with a Michelin star. Among the headliners are spit-roasted meats with mint, and baby eels in grape juice and wine.

Calling Around

Country code: 39. City codes vary within Sardinia. Be sure to check for the city nearest your destination.

For general information, contact Sardinia's tourism organization: Ente Sardo Industrie Turistiche Via Mameli 97, Cagliari. Tel. 39 70 60231.

Claudia Flisi

"BUSINESS TRAVEL WITH ITT SHERATON"
was produced in its entirety by the Advertising Department of the International Herald Tribune.
WRITER: *Claudia Flisi is a free-lance writer based in France.*
PROGRAM DIRECTOR: *Bill Mahder.*

Next City

MILAN

Italy's Most Exclusive Resort

ITT SHERATON IS THE PROUD proprietor of no less than six hotels on Sardinia's Costa Smeralda, or Emerald Coast.

Three of them – the Cala di Volpe, Romazzino and Pitrizza – are among the jewels in the Luxury Collection of ITT Sheraton, a unique assembly of 48 of the most exclusive hotels in the world.

The other three – the Hotel Cervo, Cervo Tennis Club Hotel and the Hotel Sporting – each have their own special characteristics that make them stand out in this privileged resort area.

The elegantly rustic Cervo, with its stucco walls, tiled floors and hand-made furnishings, is built around a courtyard, and its freshwater swimming pool is reached through a canopy of flowers. Most rooms have private terraces.

The Cervo Tennis Club has a similar style, but it is equipped with seven tennis courts, five of them floodlit, a popular clubhouse, and indoor and outdoor pools.

Not surprisingly, the sprawling Sporting is also outfitted for athletes, with a pool, private beach, water sports, boating, and golf and tennis nearby. Every room has a private terrace.

The Cala di Volpe seems to be part of the rugged landscape it is set in, and great attention has been paid to ensuring that every detail, from the furnishings to the lighting, adds to the hotel's country-style elegance.

The white-stucco Romazzino, with its clay-tiled roof, gleams in the sun and offers the utmost in luxury to its pampered guests.

The Pitrizza's architect made use of rough stone to build a hotel in which the edges have all been smoothed out when it comes to service, serenity and quality.

All of ITT Sheraton's Costa Smeralda hotels have private beaches, swimming pools, fitness equipment, access to golf and tennis facilities, and a full range of water sports, including boating.

They offer conference facilities for those who want to do business in one of the world's most beautiful and relaxing spots.

Needless to say, all guest rooms are equipped with all the amenities today's international traveler expects.

The hotels are also known for their excellent restaurants and bar facilities.

Hotel Cala di Volpe, Porto Cervo: Tel.: (39-789) 96083; fax: (39-789) 96442.

Hotel Cervo, Porto Cervo: Tel.: (39-789) 92003; fax (39-789) 92593.

Cervo Tennis Club Hotel, Porto Cervo: Tel.: (39-789) 92244; fax: (39-789) 94013.

Hotel Pitrizza, Porto Cervo: Tel.: (39-789) 91500, fax (39-789) 91629.

Hotel Romazzino, Porto Cervo: Tel.: (39-789) 96020; fax: (39-789) 96258.

Hotel Sporting, Porto Rotondo: Tel.: (39-789) 34007; fax: (39-789) 34383.

AT&T *USADirect*® Service, available in most ITT Sheraton hotels, lets you call the United States quickly, easily and economically from Sardinia or anywhere in Italy by simply dialing 172-1011. And did you know that you can now place up to 10 consecutive calls without redialing your AT&T Calling Card number? Just press # instead of hanging up when the other party hangs up, when you hear a busy signal or when there is no answer.

AT&T

Memorable European weekends from The Luxury Collection.

Stay at The Luxury Collection hotels and you will spend unforgettable weekends in Europe's magnificent cities. Wander through their historic and cultural centers and experience their unique charm. All while staying at some of the world's most prestigious hotels, including the Hotel Danieli in Venice and the Prince de Galles in Paris.

The Luxury Collection offers special prices for weekends at our European hotels. Prices include :

- Single or double room occupancy.
- Buffet breakfast.
- Welcome refreshment and gift.
- Late check-out privileges, with rooms available until 6 p.m.
- Information tools such as a city map and daily newspaper.
- Complimentary bottle of wine with dinner in the hotel.

And our world renowned concierges will assist you in finding the most interesting things to do during your stay.

For more information or reservations, call the ITT Sheraton Reservations office nearest you or your travel agent.

EUROPE

ALBUFEIRA/PORTUGAL
Sheraton Algarve

ASOLO/ITALY
Hotel Villa Cipriani

ATHENS/GREECE
Hotel Grande Bretagne

FLORENCE/ITALY
Grand Hotel
Hotel Excelsior

LONDON/UNITED KINGDOM
Sheraton Park Tower

MADRID/SPAIN
Palace Hotel

MILAN/ITALY
Hotel Principe di Savoia
Hotel Palace
Hotel Duca di Milano

PARIS/FRANCE
The Hotel Meurice
Prince de Galles

ROME/ITALY
Hotel Excelsior
Le Grand Hotel

SALZBURG/AUSTRIA
Hotel Goldener Hirsch

SAN SEBASTIAN/SPAIN
Hotel Maria Cristina

SEVILLA/SPAIN
Hotel Alfonso XIII

SOFIA/BULGARIA
Sheraton Sofia Balkan

TENERIFE/SPAIN
Hotel Mencey

VENICE/ITALY
Hotel Danieli
Hotel Gritti Palace

VENICE LIDO/ITALY
Hotel Excelsior

VIENNA/AUSTRIA
Hotel Imperial
Hotel Bristol

THE LUXURY COLLECTION®
ITT SHERATON

The Luxury Collection weekend program is valid through 31st March 1996, for a minimum of two nights, from Friday through Sunday. Offer subject to availability. All conditions and rates are subject to change without notice. The Luxury Collection weekend program is not combinable with other offers.

AT&T Access Numbers

AT&T puts the world at your fingertips. Just dial the Target Country's access number and enter 200 other countries. International calling made simple from AT&T.

ASIA PACIFIC		NEW ZEALAND	[illegible]	BELGIUM*	[illegible]	[illegible]		[illegible]		BRAZIL	[illegible]
AUSTRALIA	1800 881-011	PHILIPPINES	105-11	[illegible]		[illegible]		[illegible]		[illegible]	[illegible]
CHINA PRC	10811	JAPAN	[illegible]	CROATIA*	[illegible]	[illegible]		[illegible]		CHILE	[illegible]
HONG KONG	[illegible]	[illegible]		CZECH REPUBLIC	[illegible]	[illegible]		[illegible]		COLOMBIA	[illegible]
INDIA*	[illegible]			DENMARK	[illegible]	[illegible]		[illegible]		[illegible]	[illegible]
INDONESIA	001 801-10	TAIWAN*	[illegible]	HOLLAND	[illegible]	[illegible]		[illegible]		[illegible]	[illegible]
[illegible]	[illegible]			FRANCE	[illegible]	[illegible]		[illegible]		[illegible]	[illegible]
KOREA	[illegible]	EUROPE		GERMANY	[illegible]	[illegible]		[illegible]		[illegible]	[illegible]
[illegible]	[illegible]	ARGENTINA	[illegible]	GREECE	[illegible]	[illegible]		[illegible]		[illegible]	[illegible]
MALAYSIA	[illegible]	AUSTRIA*	[illegible]	HUNGARY	[illegible]	[illegible]		[illegible]		[illegible]	[illegible]

AT&T
Your True Choice

Advertisement

INTERNATIONAL FUNDS

December 19, 1995

For information on how to list your fund, fax Katy Houri at (33-1) 41 43 92 12.

ABC INVESTMENT & SERVICES CO (B.C.)		
ABC Fidelity Fund Ltd	$	144.58
ABC Fidelity Fund (E.C.)	$	136.97
ABC Global Recovery Fd	$	117.34
ABC Global Bond Fd	$	110.04
ABN AMRO BANK, N.V. (Int'l Sec. Amsterdam)		
Colombia Securities		
Trans Europe Fund	Pt	147.98
Trans Europe Fund	$	99.56
Atlantis	$	43.31
ABN AMRO FUNDS		
Latin America Eq Fd	$	28.29
North America Eq Fd	$	67.48
Asian Tigers Eq Fd	$	33.45
Europe Equity Fd	$	51.04
Japan Equity Fd	$	64.93
Germany Equity Fd	DM	109.32
Global Bond Fd	$	37.39
Europe Bond Fd	$	57.98
US Bond Fund	$	57.98
Germany Bond Fd B	DM	107.79
Swiss Bond Fund	Pts	9631.00
Eastern Europe Eq Fd	$	108.54
China Equity Fd	$	47.83
Switzerland Equity Fd	SF	114.13
ABSOLUTE PERFORMANCE (Tel: 41 91 911 3013)		
Chorus International Ltd	$	97.78
Polaris (Multi) Ltd	$	100.00
AIG WORLDFOLIO MUTUAL FUNDS		
$ Daily Income	$	1.00
DM Daily Income	DM	1.00
$ Bond Income	$	19.53
Non - $ Bonds	$	21.22
Global Bonds	$	24.70
Global Balanced	$	21.04
Global Equities	$	33.36
US Conservative Equities	$	19.23
US Aggressive Equities	$	19.63
European Equities	$	29.87
Pacific Equities	$	72.64
Natural Resources	$	13.34
Asia Growth Cn	$	14.09
Emerg Market Deb	$	14.19
AIG FUND MANAGEMENT Ltd		
AIG Amer. Eq. Trust	$	47.8805
AIG Asia Emerg Mkts Fd	$	96.4422
AIG Balanced World Fd	$	144.3422
AIG Emerg Mkts Bd Pd	$	104.7487
AIG Eu MidEast & Af Em Mk	$	96.3227
AIG Eurasia Fund Inc.	Ecu	131.1765
AIG Euro Small Co Fd Plc	$	136.3151
AIG Euro Eq Inc	$	171.8878
AIG Japan Fund	$	77.8911
AIG Japan Small Cap Fd	$	13.11
AIG Latin America Eq Plc	$	114.4077
AIG Micronesia Bd Fd Plc	$	101.2151
AIG South East Asia Fd	$	244.1723
AIG Southeast Asia Sm Cos	$	97.2515
High Life Fund	$	5.99
UBZ Euro-Optimizer Fund	Ecu	13.18
UBZ Liquidity Fund $	$	122.5000
UBZ Liquidity Fund DM	DM	134.3000
UBZ Liquidity Fund Ecu	Ecu	130.6000
UBZ Liquidity Fund SF	SF	129.3500
ALFRED BERG (Tel: (46 8) 723 88 00)		
ALFRED BERG NORDEN		
Aktier	$	244.48
Likvidtest Sverige	Sek	107.63
Obligation Sverige	Sek	165.83
ALFRED BERG SICAV		
Global	$	108.53
Germany	DM	225.02
Switzerland	SF	284.34
Europe	DM	231.57
North America	$	147.96
Far East	$	141.56
Japan	Y	11679.00
ALLIANCE CAPITAL MANAGEMENT (c/o Bank of Bermuda CI(B) 40444(39))		
Alliance US Gr. Singles A	$	9.47
Alliance US Gr. Singles B	$	9.45
Alliance US Gr. Singles S	$	146.72
ALPHA FIND MANAGEMENT, LTD (48 Par-La-Ville Rd, Hamilton, HM11 Bermuda)		
Alpha Asia Hedge (Dec 4)	$	114.84
Alpha Asian Equities	$	98.14
Alpha Europe Fd (Nov30)	Ecu	238.45
Alpha Fortunes Pf (Nov30)	$	231.43
Alpha Global Pfd (Nov30)	$	900.20
Alpha Hdg Fd Cl A(Nov30)	$	481.29
Alpha Hdg Fd Cl B(Nov30)	$	114.95
Alpha Latin Amer (Nov30)	$	133.63
Alpha Opportunity Pf(Nov30)	$	234.43
Alpha Pacific Pf (Nov30)	$	118.77
Alpha ABN	$	327.77
Alpha Short Fd (Nov30)	$	119.92
Alpha Tiburon Fd (Nov30)	$	184.83
Alpha Worldwide (Nov30)	$	144.37
BCA/Alpha Asia Pac(Nov30)	$	102.16
BCA/Alpha Midwest(Nov30)	$	181.76
BCA/Alpha Gl Hdge Nov30	$	90.95
BCA/Eq Eur Hdge Nov30	Ecu	91.40
Crescat Asian Hedge Nov30	$	79.44
Delta: Em Mkts Distrib(30)	$	127.37
Globalnet Hdge (Oct31)	$	101.24
Helsel Japan Fund	Y	7881
Hemisphere Neutral Nov30	$	100.98
Lakewest Value (Nov30)	$	99.01
Omni Inc Asp Pd (Nov30)	$	102.17
Pacif RIM Opp BVI Dec1	$	89.49
Rangoon Intl Fund(Nov30)	$	70.54
Salus Intl Fd (Nov30)	$	118.19
Sakis Intl Pd (Dec30)	$	115.07
Standard Pac Cap Offshr Nov30	$	181.32
The Russia Fd (Nov30)	$	75.80
Valu-Trac Glbl Opp Fd(Nov30)	$	112.63
ARNHOLD & S. BLEICHROEDER (Ch CITCO Tel: 011-5-999-322-222)		
Alpha Corporation	$	94.03.02
Apollo International Fund	$	534.54
DEF Associates N.V.	$	127.72.34
Feral Fund	$	20.03.80
The Global Beverage Fd	$	98.64
ARRAL ASSOCIATES LTD		
Arral American Guest Fd	$	18.22
Arral Asset Fund	$	261.42
Arral Int'l Hedge Fund	$	234.47
ATLAS CAPITAL MANAGEMENT LTD		
Atlas Global Fd	$	103.88
Atlas KTC Arbitrage Fd	$	1032.27
BAM ASSET MANAGEMENT LIMITED (8 Piccadilly, London W1V 0EE)		
International Fund		
Latest NAV	$	598.53
International Fund		
Convertible Fd (PFs)	FF	2714.95
Convertible Fd (US$)	$	625.42
Convertible Fd (Euro)	$	568.06
Comfort Fund (US$)	$	581.35
BANK BRUSSELS LAMBERT (32-2) 547 2837		
BBL Invest America Cap	$	107.85
BBL Invest Belgium Cap	BF	1.0000
BBL Invest Japan Cap	Y	10000.00
BBL Invest Latin Amer Cap	$	107.71
BBL Invest S. & Contin Cap	$	107.71
BBL Invest Asian Gdh Cap	$	107.71
BBL Invest UK Cap	£	107.71
BBL Invest Gold/Mines Cap	$	107.71
BBL (L) Invest World Cap	$	107.71
BBL (L) Inv Bond Mat Cap	$	107.71
BBL (L) Inv Tresorie $ Mat	$	107.71
BBL (P) Invest Pension Cap	$	107.71
BBL Bonds Fd Int Cap	$	107.71
BBL Bonds Fd Sel Cap	$	107.71
BBL R C S Cap	$	107.71
BBL S.M.C. Fund Capitalisation Cap	$	107.71
BANQUE BELGE ASSET MANAGEMENT (Luxembourg)		
Belgian Equity Fund		
Belgian Bond Fund		
Intl Bond Fund		
Dollar Bond Fd 94		
Belgian Equity Fund		
India Fund		
Sterling Equity Fd		
Sterling Bd Fd		
BANQUE INDOSUEZ		
The Dragon Fund Plc		
Maximal Fd. Fd Ser. 1 Cl. A		
Maximal Fd. Fd Ser. 1 Cl. B		
Maximal Fd. Fd Ser. 2 Cl. B		
Indosuez Corr. Cl A Units		
ISA - $		
ISA Japan Growth Fund		
ISA Japan Reg. Growth Fd		
ISA Pacific Gold Fund		
ISA Asian Gold Fund		
Indosuez Korea Fund		
Shanghai Fund		
Hongkong Fund		
Malaysia Fund		
Indosuez Hong Kong Fund		
I-Hedge & Money Trust		
Pacific Trust		
Thailand Fund		
Japan Fund		
Managed Trust		
Overseas Japan Warrant		
Indosuez High Yld Bd Pd A		
Indosuez High Yld Bd Pd B		
Asia Equity		
Asia Bonds		
Indosuez Latin America		
Indosuez Mediterranean Pd		
Indosuez Eur Eq Fund	DM	11.41
BANQUE ICS ALLIANCE (4127) 344-7481, Bermuda		
Pacific North Am Equities	$	125.48
Pacific Euro Equities	Ecu	132.48
Pacific Asia Pacific Eq	$	90.17
Pacific Environment Eq	$	103.07
Pacific Dollar Bond	$	107.88
Pacific (ECU Bonds	Ecu	103.34
Pacific FF Bonds	FF	113.51
Pacific Intl Conv Bonds	$	98.25
Pacific ECU Reserve	Ecu	111.32
Pacific FF Reserve	FF	112.37
BARCLAYS INTL FUND MANAGERS (Jersey) Ltd - The Pacific Plc, 38 Quarrenden, HK		
Dragon Fund	$	4.97
Hong Kong	$	20.28
Indonesia	$	14.00
Japan	$	2.88
Korea	$	11.94
Malaysia	$	24.48
Philippines	$	20.45
Singapore	$	31.84
Thailand	$	30.06
South East Asia	$	25.99
BARING INTL FD MNGRS (IRELAND) LTD (516 RECOGNIZED) IFAX 82503		
HSBC Custody Nominees (Cayman) Ltd		
Baring Emerg Market Fd	$	10.96
Baring Eastern Fd	$	10.84
Baring Pacific Fd	$	9.97
World Bond PFF	FF	43.29
BARING INTL FD MNGRS (IRELAND) LTD (HIGH YIELD RECOGNIZED) IFAX 82503		
Australia	$	27.57
Japan Technology	$	54.31
Japan Bond	$	34.88
Japan New Generation	$	15.34
Malaysia & Singapore	$	121.13
Korea Fund	$	19.38
Pacific Fund	$	19.38
Pacific Bond	$	19.37
Europe Fund	$	103.34
Hong Kong	$	19.38
Thailand	$	19.37
Global Emerging Mkts	$	10.00
Latin America	$	17.43
Currency Fund	$	35.43
Currency Fund Managed	$	6.49
Japan Fund		
BEACON GLOBAL ADVISORS LTD		
Global Cap LX	$	134.32
Compass Series 1 L LX	$	108.68
Compass Series 6 L LX	$	137.09
Compass Series 8 L LX	$	140.47
Compass Series W L LX	$	171.25
BELMONT FUNDS		
Belmont Bond		1492.30
Belmont Equity		980.81
Belmont Intl		830.91
Belmont Multicurrency		1022.45
Belmont Multibond		945.67
BERKSHIRE CH(I) ZURICH (41.1.201.3946)		
E-MAIL: berkshire@berkshirecap.com		
Alpha Offshore Gold	$	7.64
Alpha Cap Gold Pd. Ltd	$	5.48
BNP LUXEMBOURG		
INTER 2 LUX		
Frank FRF	FF	1395.32
Franco Security	FF	1938.17
Inter Cash DM	DM	2014.13
Inter Cash ECU	Ecu	1614.36
Inter Cash $	$	1221.46
Inter Cash USD		
INTER MULTI INVESTMENT		
PortfolioSelect Intl Invest		1010.94
Trescom Invest		1102.50
INTER OPTIMUM		
Valorend USD	$	121.428.07
DEM-LUX	DM	3715.67
Multidevise DM		1451.12
USD	FF	1797.55
FRF		1299.06
ECU	Ecu	
INTER STRATEGIE		
Autopilote		1086.68
France	FF	10397.29
Europe du Nord		1513.57
Europe du Centre		2004.97
Europe du Sud	Ecu	1018.52
Europe du Sud		1113.54
Amérique du Nord		3024.44
Asie-Est Asiatique		2425.55
Global		1306.89
Small Cap		
BOWDEN CAPITAL MGT		
Bowden Asia Fund		10.3207
Bowden Fund		10.5007
BOS GLOBAL		
Investment CH		75.84
Investor CH		177.23
Switzerland CH		177.78
BNP UNIVERSAL FUND SICAV		
Global Eq USD A (Dist)		21.3138
Global Eq USD B (Acc)		22.4884
Global Bonds USD A (Dis)		17.6446
Global Bonds USD B (Cap)		23.1117
Global Bonds FRF A (Dis)		113.5572
Global Bonds FRF B (Cap)		118.6253

Finance Global Fd A (Dis)	FM	20.07
Finance Global Fd B (Cap)	FM	210.3942
Europe ECU A (Dis)	Ecu	148.8000
Europe ECU B (Cap)	Ecu	148.8000
Far East USD A (Dis)	$	14.5755
Far East USD B (Cap)	$	23.7255
Japan JPY A (Dis)	Y	1000.0000
Japan JPY B (Cap)	Y	10000.0000
Pacific FRF B (Cap)	FF	1000.0000
Nth America USD A (Dis)	$	10.4000
Nth America USD B (Cap)	$	10.4000
Latin America USD A (Dis)	$	14.2377
Latin America USD B (Cap)	$	14.2377
Asia USD A (Dis)	$	8.6866
Asia USD B (Cap)	$	8.6866
World USD A (Dis)	$	18.4555
World USD B (Cap)	$	18.8755
BT FUND MANAGERS (IRELAND) LTD		
Odey Euro Gilts Inc.	DM	100.00
Odey Euro Gilts Acc.	DM	100.00
Odey Euro Grth Inc	DM	127.55
Odey Euro Grth Stor Inc		61.88
Odey Euro Grth Stor Acc		62.16
BUCHANAN FUND LIMITED		
C/o Bank of Bermuda Ltd (809) 295-4800		
Global Hedge USD	$	12.89
Global Hedge GBP	£	11.92
Global CHF	SF	11.72
European & Atlantic		13.22
Pacific	$	13.17
Emerging Markets		13.84
CALLAGHER (Tel:(201)434-9494 Fax:434-9499)		
Callagher Amer. Growth		162.06
Callagher Euro Growth		184.00
Callagher E-Australia	A$	1019.38
Callagher E-Canada	Can$	1104.00
Callagher E-US Health Care	$	33.92
Callagher Index Growth	SF	153.27
CAPITAL INTERNATIONAL		
Capital Intl Fund		
Capital Intl SA	$	156.48
Capital Intl Bds SA	$	45.49
CDC INTERNATIONAL		
CEP Court Terms	FF	191579.02
CHEMICAL (IRELAND) FD ADM LTD (353-1-66 13 48)		
Kenro 21st Century Invt	$	9.45
The Yellow Sea Invt Co	$	9.36
CINDAM BRAZIL FUND		
Cindam Select		
Cindam Equity Fund	$	135.40
Cindam Emerg Cons Fund	$	123.23
CITIBANK (LUXEMBOURG) S.A.	$	144.02
POB 1373 Luxembourg Tel. (352) 451-414-1		
Citinvest Euro Bond		
Citinvest Dollar Bond		171.30
Citinvest PGP ECU	Ecu	1245.94
Citinvest Selector		1449.38
Citinvest Cash USD		1701.22
Citinvest Cash ECU	Ecu	1244.16
Citinvest Cash DM	DM	1251.79
Citinvest Cash GBP	£	1179.16
Citinvest Cash Yen	Y	1240.08
Citinvest N.A. Equity	$	349.35
Citinvest Euro Equity	Ecu	244.67
Citinvest UK Equity	£	127.62
Citinvest Pacific Equity	$	127.93
Citinvest Dom. Emrg Equity		107.95
Citinvest Decorum Equity	DM	91.08
Citinvest Japan Equity	Y	4431.00
Citinvest EMEA		241.43
Citinvest Latin Amer		179.16
Citinvest N.A. $ Bond	$	180.71
Citinvest Euro Bond	Ecu	148.63
Citinvest Jap Bond	Y	9495.00
Citinvest Italian Equity	Lr	12517.00
Citinvest Euro Income Fund		99.36
O. MGD Currency Fund		148.47
Latin Focus Fund		589.28
Money Manager I	$	10.37
Money Manager II	$	10.37
CITIBANK (PARIS) S.A. 15/12/95		
Citi Asia Capital Gbl Fd	$	104700.00
Citi Gbl Asian Mkts Fd	$	10.07
Citi Japan 100		9459.09
Citi Japan Fund		180.00
Citi Lat Amer Cap Gbl Fd	$	10.00
Wan	$	10.39
	$	5787.67
CITIFOREST		
Citi Equities	$	328.523
US $ Money Market		17.347
US $ Bonds		10.660
Performance PIS S.A.		10.40
The Good Earth Fund		14.583
COMGEST (33-1) 44 70 28 10		
Comgest Fund	$	12.1283
C.F.E. Latam Fund	$	12.1283
Comgest Asia		1210.07
Comgest Europe	SF	151.34
CONCEPT FUND		
WAM Global Fixed Inc	$	1005.34
WAM Intl Bd Hedge Fd	$	1486.91
COWINGS ASSET MANAGEMENT		
Cowen Eastern Asian Fund N.V.		
Class A Sh	$	969.86
Class B Sh	$	1396.42
CREDIT INVESTMENT FUNDS		
Tel +41-1-2030 [illegible] Fax: 2030 [illegible]		
CS Portf Bonds CHF(A)B	SF	1038.39
CS Portf Bonds CHF(A)B	SF	1038.39
CS Portf Bonds DM A	DM	1040.04
CS Portf Bonds DM B	DM	1040.04
CS Portf Inc (USD) A	$	1000.00
CS Portf Inc (USD) B	$	1000.00
CS Portf Inc (Ecu) A	Ecu	1000.00
CS Portf Inc (Ecu) B	Ecu	1000.00
CS Portf Inc (DM) A	DM	1000.00
CS Portf Inc (DM) B	DM	1000.00
CS Portf Inc (GBP) A	£	1000.00
CS Portf Inc (GBP) B	£	1000.00
CS Portf Inc (USA) A	$	1024.12
CS Portf Inc (USA) B	$	1024.12
CS Portf Balanced A	$	1000.00
CS Portf Balanced B	$	1000.00
CS Portf Gl (Lux)	LF	97307.00
CS Portf Gl Bond A	$	1003.47
CS Portf Gl Bond B	$	1003.47
CS Portf Gl Equity A	$	1133.79
CS Portf Gl Equity B	$	1133.79
CS Portf Gl Equity (DM)	DM	1000.00
CS Portf Gl Equity (Yen)	Y	100000.00
CS Portf Gl Equity (Ecu)	Ecu	1000.00
CS Portf Gl Equity (SF)	SF	1000.00
CS Portf Gl Equity (£)	£	1000.00
CS Portf Gl Equity ($)	$	1000.00
CS Portf Gl Equity (CAN$)	Can$	1000.00
CS Portf Gl Equity (A$)	A$	1000.00
CREDIT MUNICIPAL		
[illegible]		
[illegible]		24.91
[illegible]		1401.30
[illegible]		14.7
[illegible]		10.74
[illegible]	FF	124.70
MONEY		
Actions Intl Diversifiées		122.46
Actions Nord Amérique		24.90
Actions Japonaises	Y	1781.39
Actions Asiatiques	$	75.09
Actions Pays Emergents		164.40
Actions Intl Diversifiées	FF	122.54
Actions Europe	Ecu	302.14
Actions Italiennes	Lr	37013.25
Actions Marchés Pacifique	$	22.85
Actions Japan	Y	44.40
Actions Intl Diversifiées	DM	132.42
Actions Allemagne	DM	44.58
Actions Espagnoles	Pts	149.38
Actions Suisses	SF	303.74
Actions Pays Nordiques		25.03
Actions Intl Rendement	FF	1455.48
Actions Intl Sélection		1198.80
CREDIT COMMERCIAL DE FRANCE		
Actions Monétaire	FF	16355.48
Sélectionnez USD B	$	1198.80
CREDIT LYONNAIS ROUSSE (Guernsey) Ltd		
Select Lux Lux		18.076
CLR Select Luxembourg (Regulated) 30-11-95		
Currency USD Cap	$	8.59
Currency DM Cap	DM	12.18
Diversified USD Cap	$	12.73
Diversified DM Cap	DM	22.01
Diversified FRF Cap	FF	53.95
Diversified AS Cap	A$	10.16
Diversified Int-Cond May 97	$	11.33
Diversified AS Cond Jan 2000	A$	12.08
Equity USA Cap	$	9.48
Equity DM Cap	DM	18.70
Financial USD Cap	$	8.86
Financial DM Cap	DM	17.73
CHRISTOR FUND		
Christor East Asian Eq	$	98.99
Christor Global Bd Opportu	$	118.51
Christor Global Growth Sch-Fd	$	109.97
DANIEL REMTECH GROUP		
Hamilton Treasury Fd	SF	1095.41
DH Master Markets Fund	SF	1262.38
DH Manhattan Portfolio	SF	2473.96
Seasons Portfolio		252.54
DELTEC PANAMERICA TRUST COMPANY LTD		
Delta: Latin Acquisition Fd	$	39.79
Delta: Worldwide Inc Fd	$	12.80
Delta: High Yield Fd	$	10222.34
DISCOUNT BANK GROUP		
Discount Equity	Ecu	1437.48
N. America Equity	$	1884.48
Pacific Equity	$	1280.84
Dollar Bond	$	1309.56
Multicurr. Bond		1408.76
Eurocurrency Bond	DM	1012.20
Multicurrency Bond		1010.29
Bond Short Term USD	$	1045.29
Bond Short Term FRF	FF	9244.44
Discount Global Bond-Interest		1113.72
DISCOVER INVESTMENTS		
Discover Asia	$	9.84
Discover Europe		10.34
DIY INVESTMENT FUND		
Consumer +	DM	52.57
Intl Restructuring +	DM	64.59
DORNER DE GRIFFON COLLECTIVE		
Global	$	331.79
America	$	96.07
Europe	$	101.36
DREDGNER INTL MGMT SERVICES (La Touche House - IFSC - Dublin)		

DSB Reunion Ltd Am Tel Fd		
G.T. Consolidated Fund	$	4.22
DUNCAN & SENECA		
Tel: (809) 945 1400 Fax: (809) 945 1408		
Dominican Capital Corp.	$	1,841.49
Dominican Performance	$	2785.11
EBC FUND MANAGERS (Jersey) LTD		
1 Grande St, St Helier, JE4 8XX, Jersey		
EBC TRADED CURRENCY FUND LTD		
Capital	$	36.481
Income	$	16.810
EDINBURGH INTERNATIONAL INCOME FUND		
Long Term	$	31.2032
Long Term - DMK	DM	114.5557
EDWARDS & SUAN INVESTMENT PRODUCTS		
Alpha Limited - Ordinary	$	34.95
Alpha Limited - Income	$	10.31
Mini Gold Ltd - Spec Issue	$	24.32
Mini Gold Ltd - Nov 2003	$	30.40
Mini 30 Ren Ltd (BRP)	$	99.68
Mini Gld Currencies		7.73
Mini Gld Currencies 2001		7.55
Mini Gl SL Pfd 2003		4.87
Mini Plus Gld 2003		9.51
Mini Plus Gld Bond		99.52
Albany Gld Futures		16.46
Albany Gld Currencies		9.74
Albany Gld Financials Cap		15.54
Albany Gld Financials Inc		13.98
Albany Capital Mkts Fd		9.70
AHL Commodity Fund		11.30
AHL Currency Fund		10.32
AHL Bond Time Trad Fd		10.32
AHL Gld Bond Time Trd		9.84
AHL Old Gold Mark Ltd		10.74
AHL Gld Commodities Ltd		9.11
Mod Guaranteed 1996 Ltd		9.52
Mod Leveraged Recov. Ltd		10.23
MAP Guaranteed 2000		9.71
MAP Old 2001		9.58
MAN-Gilmwood M.S.		105.21
EUROMAGE LUX (352-4873 20)		
Emerging Sale Bond Short	DM	11.44
Emerging Sale Fund	$	76.46
Emerging Asian Pd	$	7.47
Emerging Latin Pd	$	10.99
Emerging UK Value Fd	$	12.30
Emerging Gaby Building Sh	DM	10.16
Emerging Gaby A Sh	DM	10.12
EUROPA FUNDS LIMITED		
American Equity Fund	$	349.35
American Option Fund	$	244.67
Asian Equity Fd	$	127.62
Asian Option Fund	$	127.93
Emerg Euro Equity	Ecu	107.95
Emerg UK Equity	£	131.41
Emerg Pacific Equity	$	1207.93
Emerg Overseas Equity	DM	91.08
Emerg Japan Equity	Y	4431.00
Emerg Latin Equity		241.43
Emerg Euro Bond		179.16
Emerg Jap Bond		180.71
Emerg Italian Equity	Lr	12517.00
Emerg Euro Income Fund		99.36
Emerg Mkts Fund		148.47
Emerg Mkts Fund Plus		589.28
Money Manager I	$	10.37
Money Manager II	$	10.37
CITIBANK (PARIS) S.A. 15/12/95		
Citi Asia Capital Gbl Fd	$	104700.00
Citi Gbl Asian Mkts Fd	$	10.07
Citi Japan 100		9459.09
Citi Japan Fund		180.00
Citi Lat Amer Cap Gbl Fd	$	10.00
Wan	$	5787.67
EMERGING MARKETS FUND LTD (A) Cayman Sec Ltd		
Capital	$	1,841.49
Income	$	2785.11
EBC FUND MANAGERS (Jersey) LTD		
1 Grande St, St Helier, JE4 8XX, Jersey		
EBC TRADED CURRENCY FUND LTD		
Capital	$	36.481
Income	$	16.810
EDINBURGH INTERNATIONAL INCOME FUND		
Long Term	$	31.2032
Long Term - DMK	DM	114.5557
EDWARDS & SUAN INVESTMENT PRODUCTS		
Alpha Limited - Ordinary	$	34.95
Alpha Limited - Income	$	10.31
Mini Gold Ltd - Spec Issue	$	24.32
Mini Gold Ltd - Nov 2003	$	30.40
Mini 30 Ren Ltd (BRP)	$	99.68
Mini Gld Currencies		7.73
Mini Gld Currencies 2001		7.55
Mini Gl SL Pfd 2003		4.87
Mini Plus Gld 2003		9.51
Mini Plus Gld Bond		99.52
Albany Gld Futures		16.46
Albany Gld Currencies		9.74
Albany Gld Financials Cap		15.54
Albany Gld Financials Inc		13.98
Albany Capital Mkts Fd		9.70
AHL Commodity Fund		11.30
AHL Currency Fund		10.32
AHL Bond Time Trad Fd		10.32
AHL Gld Bond Time Trd		9.84
AHL Old Gold Mark Ltd		10.74
AHL Gld Commodities Ltd		9.11
Mod Guaranteed 1996 Ltd		9.52
Mod Leveraged Recov. Ltd		10.23
MAP Guaranteed 2000		9.71
MAP Old 2001		9.58
MAN-Gilmwood M.S.		105.21
EUROMAGE LUX (352-4873 20)		
Emerging Sale Bond Short	DM	11.44
Emerging Sale Fund	$	76.46
Emerging Asian Pd	$	7.47
Emerging Latin Pd	$	10.99
Emerging UK Value Fd	$	12.30
Emerging Gaby Building Sh	DM	10.16
Emerging Gaby A Sh	DM	10.12
EUROPA FUNDS LIMITED		
American Equity Fund	$	349.35
American Option Fund	$	244.67
Asian Equity Fd	$	127.62
Asian Option Fund	$	127.93
Emerg Euro Equity	Ecu	107.95
Emerg UK Equity	£	131.41
Emerg Pacific Equity	$	1207.93
Emerg Overseas Equity	DM	91.08
Emerg Japan Equity	Y	4431.00
Emerg Latin Equity		241.43
Emerg Euro Bond		179.16
Emerg Jap Bond		180.71
Emerg Italian Equity	Lr	12517.00
Emerg Euro Income Fund		99.36
Emerg Mkts Fund		148.47
Emerg Mkts Fund Plus		589.28
Money Manager I	$	10.37
Money Manager II	$	10.37
CITIBANK (PARIS) S.A. 15/12/95		
Citi Asia Capital Gbl Fd	$	104700.00
Citi Gbl Asian Mkts Fd	$	10.07
Citi Japan 100		9459.09
Citi Japan Fund		180.00
Citi Lat Amer Cap Gbl Fd	$	10.00
Wan	$	5787.67
EMERGING MARKETS FUND LTD (A) Cayman Sec Ltd		
Capital	$	1,841.49
Income	$	2785.11
EBC FUND MANAGERS (Jersey) LTD		
1 Grande St, St Helier, JE4 8XX, Jersey		
EBC TRADED CURRENCY FUND LTD		
Capital	$	36.481
Income	$	16.810
EDINBURGH INTERNATIONAL INCOME FUND		
Long Term	$	31.2032
Long Term - DMK	DM	114.5557
EDWARDS & SUAN INVESTMENT PRODUCTS		
Alpha Limited - Ordinary	$	34.95
Alpha Limited - Income	$	10.31
Mini Gold Ltd - Spec Issue	$	24.32
Mini Gold Ltd - Nov 2003	$	30.40
Mini 30 Ren Ltd (BRP)	$	99.68
Mini Gld Currencies		7.73
Mini Gld Currencies 2001		7.55
Mini Gl SL Pfd 2003		4.87
Mini Plus Gld 2003		9.51
Mini Plus Gld Bond		99.52
Albany Gld Futures		16.46
Albany Gld Currencies		9.74
Albany Gld Financials Cap		15.54
Albany Gld Financials Inc		13.98
Albany Capital Mkts Fd		9.70
AHL Commodity Fund		11.30
AHL Currency Fund		10.32
AHL Bond Time Trad Fd		10.32
AHL Gld Bond Time Trd		9.84
AHL Old Gold Mark Ltd		10.74
AHL Gld Commodities Ltd		9.11
Mod Guaranteed 1996 Ltd		9.52
Mod Leveraged Recov. Ltd		10.23
MAP Guaranteed 2000		9.71
MAP Old 2001		9.58
MAN-Gilmwood M.S.		105.21
EUROMAGE LUX (352-4873 20)		
Emerging Sale Bond Short	DM	11.44
Emerging Sale Fund	$	76.46
Emerging Asian Pd	$	7.47
Emerging Latin Pd	$	10.99
Emerging UK

WORLD ROUNDUP

William West/AFP

Shane Lee of Australia appealing for the wicket of Sherwin Williams.

West Indies Loses

CRICKET Australia dealt a further blow to West Indies' morale Tuesday by inflicting a third successive defeat on the Caribbean team in the World Series limited-overs competition. Australia won an enthralling match by 24 runs despite a vastly improved performance by the tourists in cold, blustery conditions at the Melbourne Cricket Ground. *(Reuters)*

Tarango Says He Is Sorry

TENNIS Jeff Tarango has apologized for an outburst at Wimbledon and had his fine reduced. Tarango, an American, was originally fined $43,756 and suspended from Wimbledon next year and one other grand slam tournament for outspoken remarks at a news conference after storming off the court and defaulting his third-round singles match against Alexander Mronz of Germany last June. *(Reuters)*

QB Admits to Cheating

FOOTBALL Derek Canine, the starting quarterback for Southern Methodist University, has withdrawn from school after admitting he used a term paper written by his brother. The Dallas Morning News newspaper said Canine, a freshman, is seeking permission to transfer to another school. Tom Rossley, the SMU coach, said he probably would allow Canine to transfer to a school not on SMU's schedule. *(AP)*

Gaetti Joins Cardinals

BASEBALL Gary Gaetti, the 37-year-old third baseman, agreed to a $2 million, one-year contract with the St. Louis Cardinals, the team he rooted for when he was growing up. Three other free agents switched teams Monday: Bob Tewksbury was guaranteed $1,625,000 for 1996 by the San Diego Padres; Roger McDowell agreed to a $750,000, one-year contract with the Baltimore Orioles; and the catcher Jeff Reed agreed to a $425,000, one-year contract with the Colorado Rockies. *(AP)*

Sella Ends Test Career

RUGBY UNION Philippe Sella, who holds a world record 111 international caps, announced his retirement Tuesday from international rugby. His last international was in France's victory over England for third place in the World Cup in June. *(AFP)*

Behind the Scenes in FIFA, the Soccer Boots Fly

Vantage Point / **Rob Hughes**

International Herald Tribune

THE SEASON of goodwill might bypass FIFA House, the home of soccer's governing body, this year. Soccer bursts with commercial propositions, its coffers and cups overflow with bids that convert millions to billions.

Yet the counting house in Zurich is beset by an old man's meanness of spirit. These are not Dickensian times, and João Havelange, FIFA's old president, is no Scrooge. Far from it, those who obeyed always found him most generous with the game's profits.

However, the diligent workers who survived the president's staff purge last year know that when the aging autocrat boasts of "fighting to my death" he may not discriminate between his own end and FIFA's.

Havelange is on the verge of 80. He has ruled FIFA for 21 years and wants a further four-year term from the summer of 1998.

"I'll never stop," he declared in Paris last week. "Retirement is the worst thing, and fighting is my reason for living."

As he speaks, he loses votes, loses face, loses friends for the sport. Lennart Johansson, the young (66-year-old) European heavyweight who stands against Havelange for the next presidency, gets bolder and bolder in opposition. "He will have to wait," scoffs Havelange. "My position at the head of FIFA is to make sure the ball rolls in the right direction," he said. "I have a mandate until 1998 and I intend fulfilling it. I always go by FIFA rules and Mr. Johansson should respect FIFA."

Respect should be mutual. UEFA, of which Johansson is president, generates 85 percent of soccer's global wealth. Johansson has won Africa, part of Havelange's original power base, to his cause. Asia is split, though Chung Mong-Joon, the South Korean who took Asia's seat among FIFA executive vice presidents two years ago, endorses Johansson.

Chung was one of those Havelange attempted to "sort out" at last week's Executive Committee meeting in Paris. "The president was in a state of heightened anger," says a witness who, in the time-honored fashion, demands anonymity.

"He was pounding the table, demanding to know what Chung meant by remarks in a speech he had made.

It must have cut quite a sight, this towering man from Brazil and the Korean, who is young enough to be Havelange's grandson and lean enough to be a martial arts exponent. Chung told Havelange: "FIFA can be run by collective wisdom of its members and more transparency in administration would benefit FIFA."

Silence. Seated at the table were Johansson and Issa Hayatou, president of African Confederation, whose joint letter to Havelange last May had challenged the president to bring transparency and accountability to the TV contracts that seemed to be signed without consultation of the executive committee.

Indeed, Chung's offending speech had spelled it out: "I have been disappointed to discover that several members of the Executive Committee have never even seen a FIFA television contract, let alone been involved in the process."

A European committee member asked who has the authority to conclude TV contracts. Havelange retorted: "By tradition, the president and general secretly concluded such contracts, and then let the executive committee know — what else is needed? It is sufficient."

The meeting became most fractious over Havelange's visit in November to Nigeria and his promise to to grant that country the 1997 World Youth Championship already pledged to Malaysia. Later, a FIFA spokesman said at a press conference that Havelange had written to Sultan Haji Ahmad Shah president of the Asian Confederation and the Malaysian Football Association, asking Malaysia to consider giving up the tournament. Malaysia replied that it had considered the matter carefully but because of the investment already made it could not step aside.

The press statement made no mention of a vote by the executive committee that vetoed the idea of robbing Malaysia to pay back Nigeria, which Havelange lost. This could be the first time he had ever lost in committee.

Further trouble is brewing. One of those most aggrieved over the executionsin Nigeria is Nelson Mandela, yet Havelange, trying to woo back African support, took it upon himself to declare that South Africa would be his choice for the 2006 World Cup.

Perhaps he doesn't hear the disquiet abroad over his unpresidential favoritism for Japan over South Korea as World Cup host for 2002? For the moment, Havelange is becalmed. Each December, he revisits his family roots in Belgium and is said to be a benevolent host. In Zurich the image isn't quite the same, but no one expects such a man to go quietly.

Rob Hughes is on the staff of The Times.

It Was Close, but Grizzlies End Up Losing — Again

The Associated Press

The Sacramento Kings are off to the franchise's best start in 30 years, and the Vancouver Grizzlies have lost 21 of 22 games, so a game between the two should not have been close.

With 30 seconds remaining, however, the expansion Grizzlies were within four points of the Kings, who pulled away for a 92-85 victory Monday night.

NBA ROUNDUP

"It wasn't so much a case of us being flat; it was because of what they were doing," the Kings guard Mitch Richmond said of the pesky Grizzlies.

"We kind of played their game," said Richmond, who scored 20 points. "They did a good job slowing down the ball. We knew they'd come in and play hard. We played at their pace."

The Kings made 47.9 per cent of their shots, limited Vancouver to 36 points in the middle two quarters and got some strong play off the bench.

With the starting forward Walt Williams sidelined following surgery to repair a broken nose and the reserve forward Michael Smith out with a sprained ankle after 10 minutes of play, the Kings needed some help up front.

Lionel Simmons started for Williams and had 10 points and eight rebounds; reserve Tyrone Corbin scored nine points, and Duane Causwell had eight rebounds and four blocks.

"We didn't play as well as we wanted, but we came out with a win, and that's the bottom line," Coach Garry St. Jean said after the Kings improved to 15-7. "We had some guys banged up and under the weather."

The Grizzlies connected on 46.2 percent of their shots, but 25 turnovers proved costly. The rookie center Bryant Reeves continued to make strides with 23 points on 9-for-12 shooting.

"Everything is starting to fall in place for me," said Reeves, who at 7 feet and 295 pounds (2.1 meters, 133 kilograms), is averaging 14.2 points and 7.9 rebounds in 10 games as a starter following the trade of Benoit Benjamin.

"I'm feeling more and more comfortable on the floor all the time," he added. "I'm starting to make big steps in my progress. It's all a learning process."

The Kings forward Brian Grant, who gave Sacramento the lead for good with nine third-period points, finished with 22 points. Grant said he certainly was aware of Reeves's presence.

"Reeves is better than most people think," Grant said. "He's so big, he gets his position underneath, and he also passes well and has a soft touch."

After the Kings opened a 12-point lead five minutes into the final quarter, Grizzlies guard Eric Murdock scored six points in a 15-6 run that cut the Sacramento lead to 82-79 with 3:04 to go.

Bulls 123, Celtics 114 Scottie Pippen and Michael Jordan scored 37 points each, and visiting Chicago pulled away in the fourth quarter.

After trailing 80-71 with 4:29 left in the third quarter, the Bulls outscored the Celtics 43-18. Pippen had 15 points in the surge and Jordan added nine.

Pippen just missed a triple-double, getting 12 assists and nine rebounds, while Jordan had six rebounds, five steals and three assists.

Dennis Rodman had 17 rebounds, the fifth time in seven games he got that many, as the Bulls improved to 20-2 — the best record in the National Basketball Association.

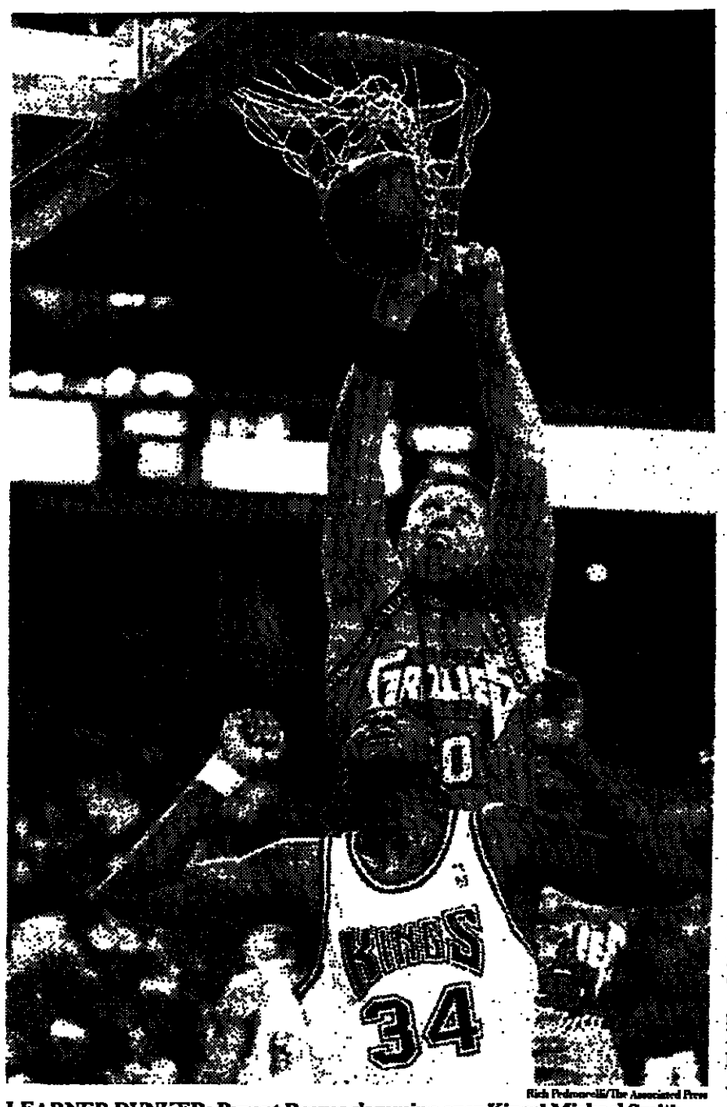
The Celtics' three-game winning streak ended as they lost for only the second time in eight games. They were led by Dino Radja with 23 points, and Dana Barros and Todd Day with 21 each.

Jazz 110, Nets 103 Howard Eisley and Karl Malone combined on a four-point play to spark a game-breaking 16-3 spurt to close out the third quarter for visiting Utah.

Malone had 24 points and 15 rebounds, and Jeff Hornacek, a backup guard, added 24 points as the Jazz beat the Nets for the second time this season and the 14th time in 16 meetings.

Kenny Anderson had 21 points and 10 assists for New Jersey, which lost its third straight, and second in a row at home after opening the season at the Meadowlands with seven straight victories. Armon Gilliam added 18 points and 11 rebounds for the Nets, who made just 10 second-half baskets.

The Nets led 72-71 after a dunk by Tim Perry with four minutes left in the third quarter. Antoine Carr then scored underneath, in the shadow of Shawn Bradley, and Malone hit one of two free throws for a 74-72 edge.



Rich Pedroncelli/The Associated Press

LEARNER DUNKER: Bryant Reeves slamming over Kings' Michael Smith.

Georgia Tech Is Ambushed By an Upstart

The Associated Press

It's post-exam and pre-Christmas time in college basketball. That means some easy home matchups for the better teams as they shake out the study-hall cobwebs and get ready to head home for the holidays.

Then a school like Mount St. Mary's comes along and throws a wrench in the plans. The fourth-smallest school in Division I, with only 1,400 students, beat No. 21 Georgia Tech, 71-69, Monday night.

COLLEGE BASKETBALL

"I can't remember a bigger win," the Mountaineers' coach, Jim Phelan, said after improving his record in 42 years at the school to 741-394. "I think we caught them perhaps in between good wins and tough games."

The Yellow Jackets (6-4) were coming off a victory Saturday over then-No. 20 Louisville and their next game is against No. 2 Massachusetts on Friday.

"These things happen in college basketball all the time," Georgia Tech's coach, Bobby Cremins, said. "It really, really hurts. It hurts a lot, but we've got to move forward and worry about the next game."

Jeff Balistrere's only basket of the game was a layup at the final buzzer after an inbounds pass with .7 seconds to play. That gave the Mountaineers (4-2) of the Northeast Conference the victory over a team from the Atlantic Coast Conference.

"Biggest shot of my life? Sure," said Balistrere, who missed four other shots and was averaging 7.6 points. "I was just thinking point-7 seconds, I've got to get it up there quick."

Chris McGuthrie, a 5-foot-9-inch (1.75-meter) senior guard, had 37 points for the Mountaineers, including an eight-for-16 performance from three-point range.

"That young man played a great game. What did he have? 50? He was sensational," Cremins said of McGuthrie.

Home Medicine Helps Rangers Beat Capitals, 3-0

The Associated Press

After losing two straight on the road, the New York Rangers used a proven home remedy to win again.

Led by Mark Messier, the Rangers beat the Washington Capitals, 3-0, on Monday night to extend their home unbeaten streak to 15 games.

NHL ROUNDUP

"You can see them feed off the fans and feed off each other," the Caps defenseman Sylvain Cote said. "We didn't play badly, they just played better."

Messier had two goals and his 901st career assist, tying him for seventh on the all-time list. Pat Verbeek scored the Rangers' other goal.

Mike Richter stopped 30 shots for his 13th career shutout, while the defenseman Ulf Samuelsson had two third-period assists and helped shut down Washington's stars, Peter Bondra and Michal Pivonka.

Canadiens 3, Whalers 2 In Montreal, Mark Recchi scored two goals as the Canadiens beat struggling Hartford.

Marc Bureau also scored for Montreal, which has won three of four games. Brendan Shanahan scored both goals for the Whalers, who have won only two of their last 11.

The Canadiens have won four, lost two and tied one since trading their star goaltender Patrick Roy and Mike Keane to Colorado for Jocelyn Thibault and two other players.

Canucks 4, Avalanche 2 In Denver, Martin Gelinas's second goal of the game broke a tie with 2:08 left, and Vancouver made Colorado pay for a late gamble. Trailing 3-2, the Avalanche had a power-play opportunity with 1:38 left and pulled Roy from goal for a six-on-four advantage. But the Canucks got the puck and Russ Courtnall passed to Trevor Linden, who beat the Colorado defenseman Sandis Ozolinsh for the clinching goal.

Oilers 3, Senators 1 Jiri Slegr scored the tiebreaking goal in the third period, and Edmonton handed Ottawa its fifth straight road loss.

Slegr picked off a clearing attempt by the Senators' defenseman Sean Hill and beat the goaltender, Don Beaupre, with a fluttering wrist shot to break a 1-1 tie with 2:54 remaining. Jason Arnott added an empty-net goal with 26 seconds left before 8,419 fans, the smallest crowd in the Oilers' 17-year history in the National Hockey League.

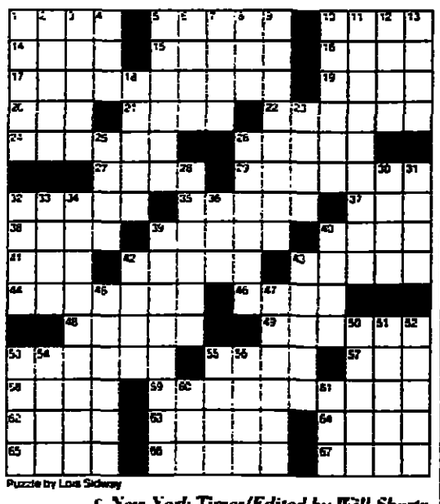
CROSSWORD

ACROSS

1 Austrian peaks
5 "Get outta here!"
10 Drink of the ancients
14 Seldom seen
15 Eratosthenes
16 Oiler's target
17 Foreman?
19 Refs' decisions
20 Cackleberry
21 Ready for picking
22 Gauguin's last home
24 Pop music style
26 Thumb e g
27 Kind of sch
29 Words on a minimart front
32 Hayseed
35 Certain navel
37 Prefix with center
38 Amatory poet
39 This puzzle is missing some
40 Hardware item
41 D D E's rank
42 Glorify
43 Fresh
44 Operational
46 "Beverly Hills Cop" org
48 1-2-3 software company
49 Breakfast beverage
53 They've been framed
55 Many a used car
57 Actor Wallach
58 Table salt
59 Like Santa Claus?
62 Miss Huber of tennis
63 TV, radio and such
64 Tantrum thrower
65 Go by
66 Studio prop
67 Bill and Carrie

DOWN

1 Like Lenin's lobs
2 Key
3 Spaghetti sauce brand
4 Stitch
5 Charity — three throw shot
6 Guacamole support
7 Debussy's dream
8 Had dinner
9 Refreshments for 007
10 Chances Are crooner
11 Cats?
12 Scads
13 Lucie's dad
18 Waggish
23 Baseball's Tommie
25 Dandelion, e g
26 "No kidding!"
28 Part of a Perle Mesta epithet
30 Numbered work
31 Compassion
32 Boo Boo's buddy
33 Pizzeria need
34 Family reunion mementos?
36 GI hangout
39 "What say?"
40 Young 'uns
42 Art Deco name
43 Yarn holder
46 Scads
47 Take to a higher court
50 Lachrymose
51 Radio partners
52 Pares
53 Breeze
54 Turner of "Peyton Place"
55 Some ties
56 Arnaz, Sanchez
60 Meadow
61 Sonnet to Fano



Puzzle by Lois Sidway

© New York Times/Edited by Will Shortz

Solution to Puzzle of Dec. 19

S	O	P	H		S	A	R	I		P	H	A	G	E
W	H	O	A		A	R	I	D		R	O	L	L	O
M	O	T	T		R	E	N	E		O	R	G	A	N
		P	E	N	T	A	G	O	N	B	R	A	S	S
I	S	O	M	E	R			A	L	O	E	S		
S	Q	U	A	R	E	R	I	G	G	E	R			
L	U	R	I	D		A	D	R	E	M		S	I	X
E	A	R	L		C	R	E	E	L		M	I	T	Y
S	D	I		P	A	E	S	E		T	O	N	A	L
			L	O	V	E	T	R	I	A	N	G	L	E
	W	A	I	V	E			S	L	A	L	O	M	
W	I	N	N	E	R	S	C	I	R	C	L	E		
A	L	G	E	R		N	I	N	A		I	T	C	H
B	L	E	A	T		O	N	C	E		S	O	H	O
E	A	R	L	Y		W	E	A	L		A	N	E	W

WWF
World Wide Fund For Nature
Tel. +41 22 364 9308

HELPUS FINDTHERIGHT SOLUTION

ESCORTS & GUIDES

BELGRAVIA ORCHIDS
LONDON PARIS CANNES MUNICH GENEVA ZURICH
Escort Agency Credit Cards Welcome
Int'l Travel Service Available
TEL: LONDON
0171 589 5237

"VIENNA "PARIS "RIVIERA "MILAN" FRANKFURT "ZURICH "BERLIN "ROME EUROCONTACT Int'l Escort & Travel Service Call Vienna +43-1-212 04 31

INTERNATIONAL CLASSIFIED

(Continued From Page 14)

SABLE INTERNATIONAL
Escort Service * London
0171 610 4041

EUROPEAN MODEL ESCORT SERVICE
Worldwide reservations. MILANO + PARIS + MONACO + PRAG + OSLO + GENEVA + ZURICH + BRUSSELS + LUXEMBOURG + DÜSSELDORF + FRANKFURT + BERLIN + ITALY + SCOTLAND + LONDON + VIENNA
Office Vienna: 0043 - 1 - 796 2159
Office London: 0044 - 181 - 678 0065

INTERNATIONAL ESCORTS
Service - Worldwide
Free to travel anywhere
Tel: 212-765-7896 New York, USA
Major Credit Cards Accepted

CHELSEA ESCORT SERVICE
51 Beauchamp Place, London SW3.
Tel: 0171-584 6513

VIENNA * PARIS * COTE D'AZUR ZURICH * GENF * HIGH SOCIETY
International Escort & Travel Service
Vienna + + 43-1-535 41 04 all cards

MILAN DELUXE ESCORT SERVICE
Call 58 10 51 88 or 0330 609670

"PARIS & LONDON"
" HIGH CLASS " INTERNATIONAL
Escort Service London (171) 394 5145

SASHA ESCORT SERVICE
LONDON/HEATHROW
TEL: 0181 743 5658 or 0402 088 837

JESSICA
LONDON ESCORT SERVICE
CALL 0181 340 2891

THAI ESCORT SERVICE
LONDON
TEL 0171 359 9227 / 0956 270 080

GENEVA PRETTY WOMAN
Geneva 022/3460089 Escort Agency
MONTREUX LAUSANNE BASEL

RED ROSES Escort Service
for "Him" and "Her", Frankfurt,
Tel: 0172-921 6666. All cards welcome

BARON MALE ESCORT AGENCY
INT'L SERVICE LONDON BASED
TEL/FAX 0181 680 5920

AMSTERDAM "DREAMS "ESCORTS
dinner date service for Him and Her.
+31 (0)20-64 02 111 / 64 02 666

**** BLONDES ****
Multilingual Escort Service
London & Heathrow 0171 370 7804

CARIBBEAN/ BRAZILIAN ANGELS
UK ESCORT SERVICE
(0171) 229-1331. Credit cards welcome

*** CHRISTINA - SWEDEN ***
Escort Service.
Mobile phone +46-705-414716

* * FRANKFURT - CITY * *
Gabi's Escort Service
069 - 25 25 20

** LONDON * CARIBBEAN **
LONDON/HEATHROW Escort Service
Tel: UK 0181 906 8082 CREDIT CARDS

TO OUR READERS IN SWITZERLAND
It's never been easier to subscribe and save.
Just call our Zurich office toll free:
155 57 57 or fax: (01) 481 82 88

SPORTS

Rice Outgains Minnesota

A One-Man Show in 49ers' Victory

By Tom Friend
New York Times Service

SAN FRANCISCO — The earth rose up to meet Jerry Rice on Monday night; the Minnesota Vikings did not.

If Rice appeared to be a member of Minnesota's secondary, it is because he was. On a field full of divots, the wide receiver put the Vikings in the biggest hole of all. He outgained them all by himself — 14 catches for a team record 289 yards and three touchdowns — and San Francisco won this track meet, 37-30.

Coach Wayne Fontes, watching back in Detroit, thanked the 49ers for saving his job (the Lions clinched a playoff spot by virtue of San Francisco's victory), but the Vikings' hopes for the postseason are intricate at best.

The Vikings (8-7) must defeat Cincinnati next weekend, and hope that Chicago and Atlanta lose. The 49ers, meanwhile, clinched a first-week playoff bye and need one more victory to secure the home-field advantage all the way to the Super Bowl.

Steve Young, their quarterback, completed 30 of 49 passes for 425 yards. Most were to Rice who, in the most productive evening of his career, turned the soggy place into Jerry Rice Avenue.

But it was touch and go for San Francisco. The 49ers turned the football over four times, inviting the Vikings back into the game. San Francisco's leads of 21-0 and 27-10 were moot when Warren Moon tossed his third touchdown of the night (this one to Jake Reed) midway in the third quarter.

Not only did Moon throw the six-yard score from his heels, he threw it with throbbing ribs. It tied the score at 27-27 and was all set up by the 49er fullback Adam Walker's fumble at his own 19-yard line.

But Rice is always going to get open, and his 41-yard catch-and-drag (two Vikings were holding on) set up Jeff Wilkins's 20-yard field goal to make it 30-27 with 4 minutes 20 seconds left in the third period.

If not for Jake Reed's drop of a Moon pass a moment later, the Vikings finally would have led. Instead they punted, and chased Rice again.

This time, he ran under a Young pass for 52 yards on the final play of the third quarter.

The end result was a six-yard touchdown run from Young, who dodged John Randle and dived in for the 37-27 lead with 12:14 left.

The only defense Jerry Rice wouldn't want to face is his own. San Francisco held Minnesota without a first down for 18 minutes.

The 49er defense has one weak link — cornerback Marquez Pope — and the Vikings waited too long to exploit him.

By the time Jake Reed and Cris Carter finally toasted Pope on successive passes for 59 yards and a touchdown, the Vikings trailed 27-10 and were exhausted.

They were tired after chasing Jerry Rice to the end zone three times, tired after chasing Dexter Carter to the end zone — for 78 yards.

They were blinking in disbelief at the scoreboard — which, 14 minutes into the game, read 21-0.

Nevertheless, the 49er offense is still behind the 49er defense, and this is because Young is not throwing enough strikes and because Rice needs stickier gloves. Young, whose throwing shoulder was surgically repaired a month ago, tossed an interception to Donald Frank late in the first half and, a fraction of a minute later, Carter scored a touchdown — slicing the score to 27-17

Another minute later, Rice caught a slant pattern from Young and was prancing deep in Minnesota's secondary when the football slipped out of his hands. Minnesota recovered at its own 32.

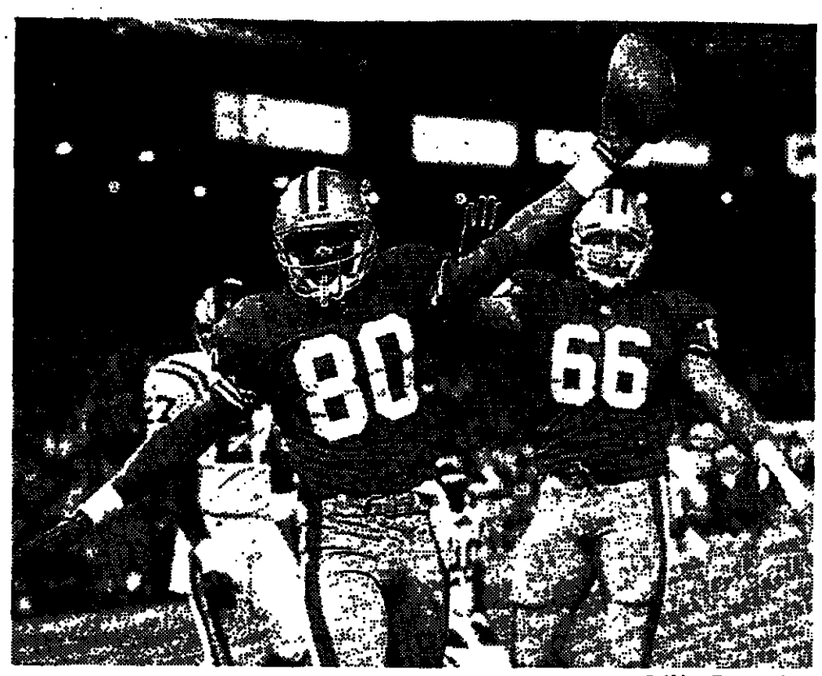
Fuad Reveiz's 43-yard field goal at the first half buzzer made it 27-20 at intermission. And Minnesota got a chance to catch its breath.

For the first 22 minutes, the 49ers appeared to be Super Bowl cinches. Their offense was averaging a league high 28.1 points per game, their defense was allowing a league low 14.3 points per game. No team had accomplished that since the undefeated 1972 Dolphins.

As for Rice, he is hard enough to cover on a dry field. But, on this surface inundated by rain, he was even more slippery. He caught a short pass over the middle, faked the cornerback Dewayne Washington to the ground and burrowed in.

On his second touchdown, Young stepped up in the pocket, came a centimeter from crossing the line of scrimmage and heaved a 46-yard, impromptu pass to a wide-open Rice.

On the third touchdown, a simple 31-yard post pattern was run so deftly that his pursuer simply fell down.



Paul Sakuma/The Associated Press

SINGLE-HANDED: Jerry Rice celebrating the first of his three scores against Vikings.

Tomba Gets World Cup Birthday Gift

Reuters

MADONNA DI CAMPIGLIO, Italy — Alberto Tomba put his off-piste troubles behind him on Tuesday to win a World Cup slalom on his 29th birthday after Jure Kosir, with the fastest time in the first leg, crashed out.

"You can imagine what this win means to me," said Tomba, formally under police investigation after a photographer, who had sold nude photographs of the Italian to a magazine, complained that Tomba had thrown a heavy glass trophy at him after a World Cup race Sunday.

The overall World Cup champion had been third after the 59-gate first leg, but he flew down the piste on the second to clock a combined time of one minute 34.62 seconds for his first victory of the season and the 30th slalom victory of his career.

Yves Dimier of France was second — his best finish — in a distant 1:36.17. The overall World Cup leader, Lasse Kjus of Norway, was initially given third place in 1:36.34 but was later disqualified by the jury for straddling a gate. Konrad Ladstaetter of Italy moved up into third place.

Kosir, a Slovenian whose only other World Cup victory was at Madonna di Campiglio in 1993, had a lead of 0.37 of a second, going into the second leg but the pressure appeared to tell. He charged down the upper part of the Canalone Miramonti run well ahead of Tomba but then lost his balance, missed a gate and crashed into the safety netting on his back.

It was the second time Tomba, with 45 victories under his belt in the World Cup, had won on his birthday.

"I dedicate this win to all the people who love me," said Tomba. "The others I don't care about."

Indy-500 Dispute Takes a New Turn

By Joseph Siano
New York Times Service

The conflict between the Indianapolis Motor Speedway and the people who own the cars and hire the drivers who compete there took a turn Monday that once seemed unimaginable: a direct challenge to the Indy 500's position as the preeminent auto race in the world.

The team owners, who make up the board of Championship Auto Racing Teams, met Monday in Rosemont, Illinois, and voted unanimously to hold a 500-mile Indy-car race at Michigan International Speedway in Brooklyn, Michigan, next May 26 — the same day as the Indianapolis 500.

The race, to be called the U.S. 500, and if the CART team owners retain solidarity in the face of sponsor pressures, it will feature some of the most prominent drivers in the sport, including the former Indy winners Emerson Fittipaldi and Al Unser Jr., as well as Michael Andretti.

Although details of the U.S. 500 — such as sponsors, ticket prices, television coverage and purse — will not be announced at least until the end of this week, the total prize money is expected to be about $5 million. Last year's Indy 500 purse was just over $8 million.

CART will rent the two-mile oval track (the fastest on the Indy-car tour) from Roger Penske, one of the CART team owners, and will assume the financial risks in running the race.

"We're going to stage an event for our fans that will feature the biggest stars of our sport," Andrew Craig, the president of CART, said Monday.

As a further slap at the Indianapolis Motor Speedway, qualifying for the U.S. 500 is scheduled for May 11 and 12, the same weekend as pole-position qualifying at Indy.

CART, which for most of the last two decades has controlled all Indy-car races except the Indy 500, is holding the race as a protest over qualifying rules introduced earlier this year by the Indianapolis Motor Speedway.

Those rules, which strongly favor teams that compete in the Speedway's new Indy-car series, the Indy Racing League, virtually guarantee 25 of the 33 starting positions in the 1996 Indy 500 to league competitors.

The CART team owners view the new series as a power grab by Indy to take over the series the CART car owners built up. Most of them are shunning the league races, the first of which will be run next Jan. 27 at Walt Disney World in Orlando, Florida. The CART teams are also upset by rules Indy wants to introduce in 1997 that will render the current Indy-car engines obsolete.

Indy counters that the league will offer an alternative to the rising costs of running an Indy-car team — about $5 million to $10 million annually — and will thus make it easier for young American racers to get to the Indy 500. Furthermore, Indy argues, its new qualifying rules are necessary because CART's 1996 schedule contained too many conflicts with the league's five-race schedule. The two sides haven't held negotiations in several weeks.

Several CART teams have been told by their sponsors that if they do not enter cars at Indy, they will lose a sizable chunk of their sponsorship funds. Some teams are expected to enter cars in both races.

SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	Pct	GB
Orlando	18	6	.750	—
New York	17	6	.739	½
Miami	12	9	.571	4½
Washington	11	10	.524	5½
Boston	11	11	.500	6
New Jersey	9	12	.429	7½
Philadelphia	4	17	.190	12½

CENTRAL DIVISION

	W	L	Pct	GB
Chicago	20	2	.909	—
Indiana	11	10	.524	8½
Cleveland	11	11	.500	9
Atlanta	11	12	.478	9½
Charlotte	11	13	.458	10
Detroit	9	13	.409	11
Milwaukee	7	13	.350	12
Toronto	8	17	.320	13½

WESTERN CONFERENCE

MIDWEST DIVISION

	W	L	Pct	GB
Houston	17	6	.739	—
Utah	16	7	.696	1
San Antonio	13	7	.650	2½
Denver	10	12	.455	6½
Dallas	7	14	.333	9
Minnesota	6	14	.300	9½
Vancouver	3	21	.125	14½

PACIFIC DIVISION

	W	L	Pct	GB
Seattle	15	7	.682	—
Sacramento	15	7	.682	—
L.A. Lakers	12	12	.500	4
Portland	11	11	.500	4
Phoenix	9	11	.450	5
Golden State	8	14	.364	7
L.A. Clippers	8	15	.348	7½

MONDAY'S RESULTS

Utah	27	27	33	23	—110
New Jersey	31	27	17	28	—103

U: Malone 11-23 2-5 24, Hornacek 9-16 5-5 24. N.J.: Anderson 4-12 11-11 21, Gillam 6-16 6-6 18.
Rebounds—Utah 46 (Malone 13), New Jersey 44 (Gillam 11). Assists—Utah 25 (Stockton 16), New Jersey 19 (Anderson 10).

Chicago	29	24	36	34	—123
Boston	31	33	22	28	—114

C: Pippen 15-23 5-7 37, Jordan 16-27 5-8 37; B: Radja 9-21 5-7 23, Bonner 7-11 4-4 21, Day 8-19 2-4 21. Rebounds—Chicago 53 (Rodman 17), Boston 45 (Fox 7). Assists—Chicago 28 (Pippen 12), Boston 23 (Bonner 6).

Vancouver	26	17	19	25	—85
Sacramento	25	18	23	31	—97

V: Stotts 9-12 5-5 23, Kings 5-11 2-12 12; S: Grant 10-25 2-4 22. Rebounds—Vancouver 44 (Mills 9), Sacramento 41 (Williams, Owens 10). Assists—Vancouver 15 (Murdock 5), Sacramento 20 (Edney 7).

Top 25 College Results

How the top 25 teams in The Associated Press college basketball poll fared Monday: 1, Kansas (7-0) beat Pittsburg State 103-48. 4, Georgetown (8-1) beat St. Francis, Pa. 88-55. 12, Wake Forest (5-1) beat Appalachian State 91-50.

15, Alabama (3-1) beat Austin Peay 81-58. 17, Michigan (9-2) beat Cleveland State 84-55. 21, Georgia Tech (6-0) beat Mount St. Mary's, Md. 71-49. 22, Virginia Tech (4-1) beat West Virginia 69-62.

Major College Scores

Alabama-Birmingham 67, Jacksonville 64
Arkansas-Little Rock 62, Grambling St. 57
Canisius 65, Colgate 63
Charleston Southern 63, UNLV 55
Coppin St. 86, Ill.-Chicago 73
Georgetown 88, St. Francis, Pa. 55
Harvard 81, Vermont 72
Iowa St. 76, Mo.-St. Louis 63
Kansas 103, Pittsburg St. 48
Michigan 84, Cleveland St. 55
Missouri 81, Austin Peay 58
Nebraska 94, NE Louisiana 76
North Iowa 82, Loyola, Ill. 72
Oklahoma 77, Texas Southern 63
Oklahoma St. 68, Michigan St. 57
Oregon St. 68, New Orleans 61
Princeton 86, St. Joseph's 78
South Carolina St. 82, Furman 66
SW Louisiana 74, Texas A&M 69
Texas-El Paso 76, Jacksonville St. 53
Texas Tech 89, Qld Damilton 84
UCLA 109, Stephen F. Austin 88
Virginia Tech 68, West Virginia 62
Wake Forest 91, Appalachian St. 50

EXHIBITION

Athletes in Action 81, Louisville 80

FOOTBALL

NFL Standings

AMERICAN CONFERENCE

EAST

	W	L	T	Pct.	PF	PA
x-Buffalo	10	5	0	.667	333	307
Indianapolis	8	7	0	.533	321	309
Miami	8	7	0	.533	357	310
New England	6	9	0	.400	287	367
N.Y. Jets	3	12	0	.200	233	372

CENTRAL

	W	L	T	Pct.	PF	PA
x-Pittsburgh	11	4	0	.733	386	303
Cincinnati	6	9	0	.400	322	350
Houston	6	9	0	.400	320	307
Cleveland	5	10	0	.333	268	332
Jacksonville	3	12	0	.200	251	383

WEST

	W	L	T	Pct.	PF	PA
x-Kansas City	12	3	0	.800	332	238
Oakland	8	7	0	.533	320	301
San Diego	8	7	0	.533	294	306
Seattle	8	7	0	.533	360	340
Denver	7	8	0	.467	357	317

NATIONAL CONFERENCE

EAST

	W	L	T	Pct.	PF	PA
y-Dallas	11	4	0	.733	398	278
y-Philadelphia	10	5	0	.667	304	318
N.Y. Giants	5	10	0	.333	273	313
Washington	5	10	0	.333	306	342
Arizona	4	11	0	.267	262	385

CENTRAL

	W	L	T	Pct.	PF	PA
y-Green Bay	10	5	0	.667	380	295
Detroit	9	6	0	.600	399	326
Chicago	8	7	0	.533	372	346
Minnesota	8	7	0	.533	388	358
Tampa Bay	7	8	0	.467	228	298

WEST

	W	L	T	Pct.	PF	PA
x-San Francisco	11	4	0	.733	430	230
Atlanta	8	7	0	.533	334	322
St. Louis	7	8	0	.467	287	377
Carolina	7	8	0	.467	272	305
New Orleans	6	9	0	.400	307	348

x-clinched division title; y-clinched playoff berth.

MONDAY'S RESULT

San Francisco 37, Minnesota 30

HOCKEY

NHL Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	T	Pts	GF	GA
Florida	23	8	2	48	117	79
N.Y. Rangers	21	10	5	47	127	99
Philadelphia	21	8	4	46	123	80
Washington	14	14	3	31	83	83
Tampa Bay	13	14	5	31	90	107
New Jersey	13	16	3	29	80	80
N.Y. Islanders	7	20	4	18	87	123

NORTHEAST DIVISION

	W	L	T	Pts	GF	GA
Pittsburgh	20	7	3	43	151	95
Montreal	16	13	2	34	99	99
Buffalo	14	14	3	31	95	99
Boston	12	14	4	28	106	113
Hartford	11	17	3	25	77	98
Ottawa	7	24	1	15	77	127

WESTERN CONFERENCE

CENTRAL DIVISION

	W	L	T	Pts	GF	GA
Detroit	21	7	2	44	118	68
Toronto	17	10	5	39	105	91
St. Louis	14	13	5	33	85	89
Chicago	13	12	7	33	104	99
Winnipeg	14	15	3	31	117	117
Dallas	10	13	6	26	82	95

PACIFIC DIVISION

	W	L	T	Pts	GF	GA
Colorado	18	11	4	40	141	102
Los Angeles	13	13	6	32	105	105
Vancouver	11	12	8	30	112	115
Anaheim	13	18	3	29	104	106
Edmonton	11	16	6	28	90	125
Calgary	7	18	7	21	88	114
San Jose	6	23	4	16	96	152

MONDAY'S RESULTS

Montreal 3, Hartford 2
N.Y. Rangers 3, Washington 0
Vancouver 4, Colorado 2
Edmonton 3, Ottawa 1

SKIING

World Cup Results

MEN'S SLALOM

Results Tuesday of the men's World Cup slalom in Madonna Di Campiglio, Italy: 1, Alberto Tomba, 1 minute, 34.62 seconds; 2, Yves Dimier, France, 1:36.17; 3, Konrad Kurt Ladstaetter, France, 1:36.56; 4, Sebastien Amiez, France, 1:36.66; 5, Mario Reiter, Austria, 1:36.67; 6, Fabrizio Tescari, Italy, 1:36.68; 7, Guenther Mader, Austria, 1:36.96; 8, Finn Christian Jagge, Norway, 1:37.07; 9, Fabio De Crignis, Italy 1:37.09; 10, Bernhard Bauer, Germany, 1:37.29.

Men's Slalom Standings (after 3 races): 1, Sebastien Amiez, 180 points; 2, Alberto Tomba, 160; 3, Fabio De Crignis, 111; 4, (tie) Michael Tritscher, Andrej Miklovic, Slovenia; Finn Christian Jagge, 100; 7, Konrad Kurt Ladstaetter, 89; 8, Jure Kosir, Slovenia, 85. 9, (tie) Christian Mayer, Austria; Yves Dimier, France, 80.

Men's World Cup standings (after 12 races): 1, Lasse Kjus, Norway, 640 points; 2, Michael Von Grunigen, Switzerland, 400; 3, Hans Knaus, Austria, 359; 4, Luc Alphand, France, 296; 5, Fredrik Nyberg, Sweden, 281; 6, Alberto Tomba, 256; 7, Guenther Mader, 229; 8, Patrick Ortlieb, Austria, 203; 9, Urs Kaelin, Switzerland, 196; 10, Jure Kosir, 185.

SOCCER

ENGLISH PREMIER LEAGUE

Manchester City 1, Nottingham Forest 1

STANDINGS: Newcastle 42 points, Manchester United 35, Tottenham 33, Aston Villa 32, Liverpool 31, Arsenal 31, Middlesbrough 30, Nottingham Forest 28, Leeds 25, Chelsea 25, Blackburn 24, Everton 23, West Ham 23, Sheffield Wednesday 21, Southampton 17, Manchester City 16, Queens Park Rangers 15, Wimbledon 14, Coventry 12, Bolton 9.

CRICKET

WORLD SERIES

AUSTRALIA VS. WEST INDIES

TUESDAY, IN MELBOURNE

Australia: 249-6 (50 overs)
West Indies 225 (all out)
Result: Australia won by 24 runs

TRANSITIONS

BASEBALL

AMERICAN LEAGUE

BALTIMORE—Agreed to terms with Roger McDowell, pitcher, on 1-year contract.

BOSTON—Agreed to terms with Butch Henry, pitcher, on 1-year contract.

CALIFORNIA—Agreed to terms with Todd Frohwirth, pitcher, on minor-league contract.

MILWAUKEE—Put Bob Scanlan, pitcher, on waivers list so that he could have his unconditional release. Sent Al Reyes, pitcher, outright to New Orleans, AA.

N.Y. YANKEES—Announced that Rick Honeycutt, pitcher, accepted salary arbitration.

SEATTLE—Traded Bill Risley, pitcher, and Miguel Cairo, 2d baseman, to Toronto for Edwin Hurtado and Paul Menhart, pitchers.

NATIONAL LEAGUE

COLORADO—Agreed to terms with Jeff Reed, catcher, on 1-year contract.

PITTSBURGH—Agreed to terms with Orlando Merced, outfielder, on 2-year contract.

SAN DIEGO—Agreed to terms with Bob Tewksbury, pitcher, on 1-year contract. Designated Julio Bruno, infielder, for assignment.

SAN FRANCISCO—Agreed to terms with Rich DeLucia and Sergio Valdez, pitchers, on 1-year contracts.

ST. LOUIS—Agreed to terms with Gary Gaetti, 3d baseman, on 1-year contract.

BASKETBALL

NATIONAL BASKETBALL ASSOCIATION

MINNESOTA—Fired Bill Blair, coach. Announced that general manager Flip Saunders will coach team for rest of the season.

FOOTBALL

NATIONAL FOOTBALL LEAGUE

CINCINNATI—Put Bruce Kozerski, guard, on injured reserve. Signed Ray Forsythe, offensive lineman, from practice squad. Released Fritz Fequiere, offensive lineman, from practice squad.

HOCKEY

NATIONAL HOCKEY LEAGUE

NHL—Suspended Calgary Flames right wing Ron Stern, effective Dec. 16, for slashing St. Louis defenseman Jeff Norton on Dec. 14.

BUFFALO—Recalled Steve Shields, goaltender, from Rochester, AHL.

DETROIT—Sent Keith Morris, left wing, to Columbus, ECHL.

LOS ANGELES—Sent Don Biisma, right wing, to Phoenix, IHL.

MONTREAL—Put Andrei Kovalenko, right wing, on injured list, retroactive to Dec. 16. Recalled Chris Murray, right wing, from Fredericton, AHL, and Tomas Vokoun, goaltender, from Wheeling, ECHL.

NEW JERSEY—Recalled Reid Simpson, left wing, from Albany, AHL.

N.Y. RANGERS—Recalled Peter Ferraro, left wing, from Binghamton, AHL.

TAMPA BAY—Recalled Drew Bannister, defenseman, from Atlanta, IHL.

COLLEGE

ALBANY, N.Y.—Named John Reagan offensive line coach.

CALIFORNIA—Named Dan Ferrigno assistant football coach.

GEORGIA—Named Glen Mason football coach.

OKLAHOMA—Announced resignation of Howard Schnellenberger, football coach.

NORTH CAROLINA—Announced resignation of Bruce Johnson, defensive backs coach, to take the same position at South Carolina.

SOUTHERN CALIFORNIA—Announced Shawn Walters, running back, will have his eligibility restored for 4th game of 1996 season.

TEXAS A&M—Announced Carey Owens, basketball guard, quit women's basketball team. Suspended David Maxwell, sophomore defensive lineman, and Michael Williams, redshirt freshman running back, for violating team rules.

UC IRVINE—Declared Tchaka Shipp, basketball forward, ineligible this season because he hasn't completed NCAA transfer requirements.

DENNIS THE MENACE

"I DON'T HAVE TO BE A GOOD BOY FOR THE TOOTH FAIRY, AND HE STILL COMES THROUGH!"

JUMBLE

THAT SCRAMBLED WORD GAME by Mort Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

TELMA

HUTOM

YELMIT

NEBING

WHERE A FARMER PUTS HIS MONEY.

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here: (Answers tomorrow)

Yesterday's Jumbles: Answer: IVORY CLOUT AMBUSH WEASEL What the noble sailing vessel came down to — THE CORE ISSUE

To subscribe in Switzerland just call, toll free, 155 57 57

PEANUTS

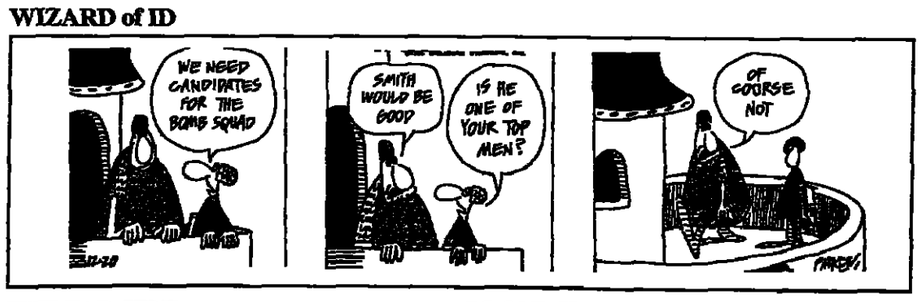
GARFIELD

BEETLE BAILEY

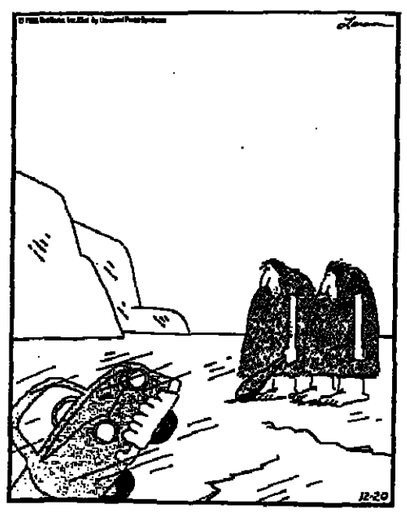
DOONESBURY

CALVIN AND HOBBES

WIZARD of ID



THE FAR SIDE



BLONDIE

OBSERVER

The Military's Role

By Russell Baker

NEW YORK — Is anybody else puzzled about the Army and Navy these days? What in the world are these heavily armed and richly financed people supposed to do anymore? Congress obviously doesn't want them placed in harm's way. That's why President Clinton has just had a tough time getting the flimsiest Republican support for putting Army units into the Balkans.

Congress's attitude seems to be, "God forbid our great fighting forces should ever have to fight." Yet Congress cannot stop itself from lavishing more and more money on this magnificent military machine which it cannot bear to use.

In the current budget, for example, though national hardship is used to justify extensive cuts in domestic programs, the Pentagon is slathered with far more money than it requested or, apparently, can use.

Some of this squandering of the taxpayer's famous dollar can be put down to a merciful impulse among Republican budget-cutters. Pouring money into obsolete multibillion-dollar defense projects, after all, does keep a lot of people working and many communities from collapsing into poverty.

□

In New Deal days, government's willingness to finance unnecessary work to provide jobs was deplored by Republicans as "boondoggling." It is heartening to see they have finally come round to accepting it as a humane act of government, at least for communities dependent on military spending.

You can't help wondering, though, if there isn't a long-term danger here. With Congress' reluctance to use the military for dangerous work, you might wonder if the military will eventually degrade into a gold-plated make-work program for spreading the money around.

The real trouble, of course, is that since the Cold War's end there has been no sensible explanation of what the military is there for. It was there with a clear sense of mission when Soviet Russia collapsed. Since then it has just gone on being there, vast and heavily funded, but with no clear sense at all of what future it ought to be heading for.

□

Year after year passes, and there is still no very clear idea what to do with the military. This is because there is not even a murky idea of what the United States ought to be doing in this brave new world.

As indicated by the lurching back and forth on the Balkans under two presidents, there are no philosophical guidelines to what U.S. policy should be in this new world.

The nasty tendency of certain military types to refer to the president as a "draft dodger" shows, among other things, that the new professional military doesn't understand its own history. Except for Bush, a combat pilot, and Senator Bob Dole, an authentic war hero, recent and present presidential campaigners have mostly been "draft dodgers."

The new professional Army was created because draft-dodging had become a popular form of political action. This forced the politicians to abolish the historic citizens' army. So many citizens saying "No" to the Vietnam War endangered government's power to make war without popular support.

President Richard M. Nixon ended the draft, and the current all-pro military was born, the product of grand-scale draft-dodging and politicians' fears of the classic citizens' army.

New York Times Service

The New Sabrina: Julia Ormond Does It Her Way

By Paula Span
Washington Post Service

NEW YORK — It's a quandary. Julia Ormond is ravishing, too beautiful to believe. She's starring in the remake of the cherished 1954 celluloid fairy tale "Sabrina." It is the third film in a row in which her primary function is to be intoxicating, so irresistible that at least two leading men duel bitterly for her favor.

"I don't specify to my agent, "I'm sorry, but there's only one man after me in this role; where's the other one?' " she says with mock penitence. These love triangles just keep befalling her, somehow: Brad Pitt and Aidan Quinn lusted for her in "Legends of the Fall"; Sean Connery and Richard Gere did in "First Knight." Now Harrison Ford and Greg Kinnear, taking on the Humphrey Bogart and William Holden roles, are at her feet in "Sabrina."

She's still slightly stunned. Five years ago, graduating from a British drama school, she thought that by this point she might have earned a union card and joined a decent theater company for lousy wages. She might be auditioning for a small part in her first film. Instead, director Sydney Pollack considered 40 or 50 actresses on videotape and met several dozen more in person and decided that the ascendant Ormond had the best shot at helping moviegoers temporarily forget the first Sabrina, the incomparable Audrey Hepburn. Talk about fairy tales.

Trouble is, Ormond, who's 30, doesn't consider herself either a Hepburnlike pixie or a femme fatale.

She's serious. She's about to sign a deal with Miramax that will allow her to develop, produce or direct movies of her own. Check out her someone-to-be-reckoned-with style: authoritative pinstripe pantsuit, no nail polish, no jewelry except for a watch, no asking permission before she lights up a Marlboro in a small hotel room.

Check out, too, the edicts that issue along with the smoke: "It's up to women to develop their own stuff, take the responsibilities and the risks. . . . Take the female away from the appendix role — the wife, the girlfriend, the one who does the sex scene," she declares. "I can no longer sit back and say, 'Oh, there are so few good parts for women' when I've been given this opportunity."

Allure seems somewhat beside the point. She'd probably prefer to spend this day bumming around Hackney, her slightly seedy London neighborhood, in comfy clothes and a naked face. "I like wearing big sloppy jumpers and old jeans," she says. "I don't want to feel I can't step out of the house unless I have makeup on; that's a terrible state to be in, as a woman."

But reporters from at least three continents are descending on this midtown hotel for the opening to talk about the re-created "Sabrina." So Ormond has put on her mascara and is prepared to talk more about herself than she'd really like to. She's learning how to play the glamour game.

It has not come naturally. Pollack noticed her reserve — is it British? or just Ormondish? — when he flew to London to meet her in 1994. "I suspect that Julia is a little shy; she'll withhold who she really is for a while," he says. Accordingly their conversation, which was supposed to last 30 minutes or so, stretched to two hours. "I felt she was being very careful. And that carefulness didn't quite let me see what I was trying to see."

Even now, after shooting the film for six months on Long Island (in a mansion built by J.P. Morgan's grandson) and Martha's Vineyard and in New York and Paris, Pollack confesses, "I can't tell you I know her real well."

Ormond was also cautious, and sometimes prickly, with the press at first. Suddenly every slick magazine wanted to profile the fetching newcomer, who grew panicky about losing her privacy and refused to talk much about her personal life. "Looking back, I think I've been a little tense. I think I sort of froze a bit," she says now. In print, "I came across as terribly serious. I'd read articles and think, 'Oh God, I wouldn't want to spend 10 minutes with her.' "

Carl Wells Brown for The Washington Post

The British actress is still slightly stunned by her success.

Moreover, this is an actress disinclined to swallow her opinions. Sometimes outspokenness served her well, as when she asked for, and reportedly got, script changes in the Arthurian saga "First Knight." But when she starred in the cable movie "Young Catherine" and disliked the way it was taking shape during long and arduous location work in Russia, "there were times when I lost it," Ormond acknowledges. "I blew my top. In a way, it was justified. And in a way, it's never justified."

But "Sabrina" seems to have been made with far less tension — in part a measure of the way Ormond, coolly intelligent and realizing the need for some course correction, is learning the ropes. She and Pollack did spar for more than a week over whether Sabrina — the chauffeur's daughter with the perpetual crush on the tycoon's son — should have an English accent. Ormond said no: The script indicated that the family had been in the United States since Sabrina was a child. Pollack said yes: For "the music, the sound of the film I needed the exoticness, the poetry" of plummy Brit tones.

"In the past, I would have really dug in," Ormond says. This time, she relented and worked with a dialogue coach so that Sabrina sounds like an Americanized Englishwoman, which is to say less English than Ormond herself sounds. "You have to bow to someone else's experience," she reasons.

Even that minor disagreement underscores what she calls the "frustrations and limitations" of acting. She likes to have control; only a handful of actors do (and most are men). She likes being involved in the myriad details of putting a project together; actors are usually brought aboard after the major decisions are already made. She's currently high on Hollywood's list of hot young prospects, but she recognizes that "there's always insecurity in it. You can be popular one minute and out the next."

And of course, there's the Gender Thing. This is still a business in which both Pollack and Harrison Ford, in round-table interviews with reporters, offhandedly referred to the actresses being considered to play Sabrina as "girls." In fact, Ormond exhales in almost visible relief when she recalls declining Vanity Fair's invitation to be among the dozen or so young actresses on its April cover celebrating Hollywood at Oscar time. There they were, an impressive line-up — Jennifer Jason Leigh, Nicole Kidman, Uma Thurman, women for whom Ormond professes respect — nearly all of them stripped to their skivvies.

What was the magazine saying with that photograph? Ormond remembers thinking. She supplies an answer: "This is the new generation of women in film. This is what they do: They pose on magazine covers in their underwear."

Not her. In her next movie — "Smilla's Sense of Snow," adapted from the best-selling novel by Peter Hoeg and directed by Bille August ("Pelle the Conqueror".) — Ormond plays an unusually shrewd and fearless heroine, a Greenland-born scientist-detective who fells and disables a horde of attacking bad guys. And only one man falls in love with her. It's a far cry from being the erotic object, the beauty, the princess.

POSTCARD

A Solution to Cairo Traffic: The Truck Cemetery

By Douglas Jehl
New York Times Service

CAIRO — On the outskirts of this teeming city, where the living crowd for shelter in the cemetery known as the City of the Dead, another kind of refugee has now been relegated to the tombs.

It is the lowly truck. Only at night may big trucks leave the dusty quarter to venture into Cairo's streets. By day, in a capital densely packed with small cars, trucks have simply been banished. No matter that Cairo is one of the world's most centralized cities, with its main stores and offices crammed into downtown districts. No matter either that it is also Egypt's hub, with all roads passing through it.

The fact confronting the authorities is that the city's population of cars, now at 850,000, is climbing just as quickly as its population of people, 16 million. But the no-trucks edict that Cairo officials have imposed as a response has transformed more than the city's traffic-choked streets.

"Everyone thinks the tombs have only the dead," said Mohammed Ahmed, a 37-year-old driver. "What they don't realize is that now the tombs also have our trucks."

Restricted to a zone called the Land of the Martyrs, the big Mercedes trucks that once lumbered from Egypt's ports to Cairo's markets now stand silent by the scores until night falls. In the shadow of a Mameluke sultan's tomb, men like Ahmed must wait while Fiats, Russian-made taxis and donkey carts jostle for space on the city's chaotic roads. Not until 10 P.M., when most of Cairo has headed for home, can the trucks rumble toward the city center. And because the witching hour strikes again at 7 A.M., their daily race to deliver what it takes to keep the city moving takes place almost entirely by dark.

It is not unusual for a moving company to deliver belongings at midnight, with haulers struggling until daybreak to carry heavy loads up cramped stairwells. Nor is it unusual for builders to work around the clock to accept delivery of sand, cement and steel beams. And if the unloading is not finished by dawn, the drivers and their trucks can do nothing but wait in place until 10 P.M., when the law permits them to move again. The regulations were put on the books six years ago and are now being rigidly enforced.

Officials say the ban on trucks is a temporary measure. But in the cacophony of horn-blowing, the traffic snarls and the peril that remain part of Cairo's everyday fabric, there is no sign that truck drivers can hope again for the day when no street was beyond their reach.

PEOPLE

Peter Morgan/Reuters

THE STARS COME OUT — Partners in the All Star Café in New York at the opening of the sports-theme restaurant: from left, Andre Agassi, Joe Montana, Ken Griffey Jr., Monica Seles, Shaquille O'Neal and Wayne Gretzky.

THE race between an Englishman and a Norwegian seeking to be the first people to cross the Antarctic continent on skis while hauling their own supplies ended when the English skier, Roger Mear, was forced to drop out and be evacuated because of equipment failure. His competitor, Borge Ousland, was still going strong, however, and expected to reach the South Pole, the approximate halfway point, by Christmas day. The 1,700-mile (2,720-kilometer) race, in which the competitors have had to endure temperatures lower than minus 40 degrees Fahrenheit, began in November.

□

In the beginning, there was **James Earl Jones**. "At the beginning of God's creating of the heavens and the earth," he began, his celebrated basso rumble echoing from the pulpit of the Cathedral of St. John the Divine in New York, "when the earth was wild and waste, darkness over the face of ocean, rushing-spirit of God hovering over the face of the waters — God said: Let there be light! And there was light." The occasion, dubbed the "world's largest Christmas-Hanukkah celebration," was an evening of readings and music called "Bible Live," organized by Schocken Books to mark the publication of Volume No. 1 of the Schocken Bible, "The Five Books of Moses." **Ossie Davis and Ruby Dee, Eli Wallach and Anne Jackson, Norman Mailer and Gay Talese** were among those who lent their voices.

□

The conductor **Zubin Mehta** and composer **Gyorgy Ligeti** will share the 1995-96 Wolf Prize for their musical achievements. **President Ezer Weizman** of Israel will present the $100,000 award to Mehta and Ligeti at the Knesset Jerusalem on March 24. Since 1978, Wolf Prizes have been awarded for achievement in chemistry, agriculture, mathematics, physics and medicine, as well as the arts.

□

The green army uniform worn by **Tom Hanks** in "Forrest Gump" sold for $17,250 at Christie's in New York, and the white satin boxing trunks **Sylvester Stallone** wore in "Rocky" brought $10,925. But the cream-colored briefs with a "G" monogram that **Greta Garbo** gave to **Gilbert Roland** attracted only a $6,500 bid, deemed too low, and they did not sell.

□

Louis Langrée, musical director of the Picardy Orchestra, will take over as director of Britain's Glyndebourne touring opera in 1998. He will take over from **Ivor Bolton**. Langrée began his career as choral conductor for the Lyon Opéra from 1983 to 1986, and from 1989 to 1992, he was assistant director at the Paris Opéra. He has been a guest conductor at a number of houses in the United States and in Europe.

□

A year after model **Christie Brinkley** and real estate developer **Richard Taubman** got married on a ski slope, they have agreed to a divorce settlement. "I'm happy it's over," Brinkley said.

□

Dennis Hopper wants bigger takings from the cult film "Easy Rider," which he and **Peter Fonda** starred in in 1969. Fonda's Pando Company has paid Hopper one third of the $40 million to $70 million in profit so far. But Hopper, in a lawsuit, says he wants 41 percent.

□

Barbra Streisand donated a $15 million piece of property in California to the Santa Monica Mountains Conservancy in 1993 with the hope that it would be used for environmental study. But two years later, the gift is a burden. Utility and maintenance costs are expected to top $57,000 next year, and the director of the Streisand Center for Conservancy Studies was laid off in June because of money problems. And neighbors aren't happy with the additional traffic it has brought. "We can't pay for clinics. We can't keep libraries open," said Ruth White, president of the Ramirez Canyon Homeowners Association. "We can't have money tied up in an investment like this."

WEATHER

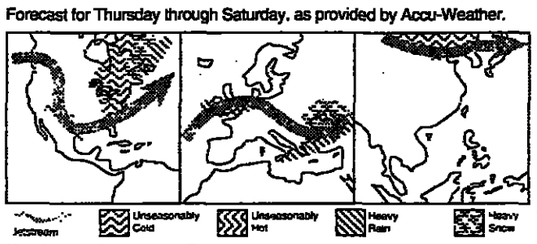
Europe

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Algarve	19/66	11/52	s	21/70	13/55	s
Amsterdam	2/36	-1/31	r	4/39	1/34	pc
Ankara	6/43	2/35	r	6/43	-2/29	r
Athens	13/55	9/48	r	16/61	8/46	pc
Barcelona	16/61	11/52	pc	17/62	12/53	pc
Belgrade	4/39	1/34	pc	4/39	-2/29	c
Berlin	-1/31	-5/24	pc	1/34	-4/25	s
Brussels	3/37	0/32	r	6/43	3/37	pc
Budapest	4/39	3/37	r	5/41	1/34	s
Copenhagen	-1/31	-4/25	c	-1/31	-3/27	sn
Costa Del Sol	18/64	11/52	pc	22/71	14/57	s
Dublin	8/46	-2/29	s	7/44	5/41	sn
Edinburgh	6/43	3/37	pc	7/44	5/41	s
Florence	11/52	6/43	c	11/52	6/43	c
Frankfurt	2/35	-1/31	c	3/37	-1/31	s
Geneva	5/41	4/39	r	6/43	3/37	r
Helsinki	-4/25	-13/9	sn	-2/29	-11/13	c
Istanbul	10/50	7/44	r	12/53	6/43	c
Las Palmas	26/79	17/62	s	27/80	19/66	s
Lisbon	16/61	11/52	s	18/64	11/52	s
London	7/44	2/35	r	8/46	6/43	c
Madrid	14/57	6/43	c	15/59	7/44	pc
Milan	6/43	4/39	r	8/46	3/37	pc
Moscow	-6/22	-8/18	sn	-5/22	-9/16	sn
Munich	2/35	1/34	r	3/37	-1/31	c
Nice	14/57	8/46	c	17/62	9/48	c
Oslo	-3/27	-7/20	pc	-2/29	-6/22	pc
Palma	15/57	12/53	pc	17/62	13/55	pc
Paris	6/43	4/39	r	6/43	4/39	r
Prague	1/34	-2/29	sn	1/34	-3/27	pc
Reykjavik	2/35	-3/27	pc	2/35	-3/27	s
Rome	14/57	4/39	pc	13/55	8/46	r
St. Petersburg	-7/20	-9/16	sn	-5/24	-10/15	pc
Stockholm	-2/29	-4/25	sf	0/32	-6/22	pc
Strasbourg	3/37	2/35	r	6/43	2/35	pc
Tallinn	-5/24	-13/9	sn	-2/29	-10/15	s
Venice	8/46	6/43	r	9/48	4/39	pc
Vienna	2/35	1/34	r	3/37	-2/29	pc
Warsaw	0/32	-4/25	c	-1/31	-4/25	c
Zurich	2/35	2/35	r	4/39	1/34	pc

Oceania

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Auckland	23/73	16/61	c	24/75	16/61	pc
Sydney	24/75	15/59	c	24/75	14/57	pc

Forecast for Thursday through Saturday, as provided by Accu-Weather.



North America
Blustery and cold in the East Thursday through Saturday with little precipitation. There will be locally heavy snow near the Great Lakes: Toronto and Chicago will be cold with flurries. Rain, ice and snow will spread across Texas. Some rain will wet the West Coast.

Europe
London will have dry weather Thursday, then rain is likely Friday into Saturday. Paris will be mild with a few showers. Italy will turn dry and warmer. A few showers will cross northern Spain and Portugal, otherwise, dry and mild over the Iberian Peninsula.

Asia
Showers are possible Friday and Saturday in Japan and Korea. Beijing may have a couple of showers Thursday, then mainly dry and colder Friday and Saturday. Shanghai will be dry for the most part, but Hong Kong and Taiwan may have a few showers. Singapore will be hurried with thundershowers.

Middle East

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Abu Dhabi	22/71	18/68	sh	23/73	16/61	r
Beirut	13/54	14/57	pc	13/55	13/55	pc
Cairo	20/68	11/52	pc	21/70	9/48	pc
Damascus	14/57	7/44	pc	17/62	6/43	pc
Jerusalem	14/57	10/50	pc	17/62	9/48	s
Luxor	24/75	6/43	s	26/79	3/37	s
Riyadh	17/62	12/53	t	18/64	8/46	c

Africa

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Algiers	15/59	13/55	r	17/62	13/55	c
Cape Town	19/66	17/62	c	19/66	13/55	r
Casablanca	21/70	10/50	s	26/79	13/55	s
Harare	24/75	8/46	pc	24/75	6/43	s
Lagos	31/88	24/75	pc	30/86	24/75	pc
Nairobi	23/73	12/53	pc	24/75	12/53	pc
Tunis	16/61	7/44	pc	17/62	11/52	c

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, i-ice, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1995

Asia

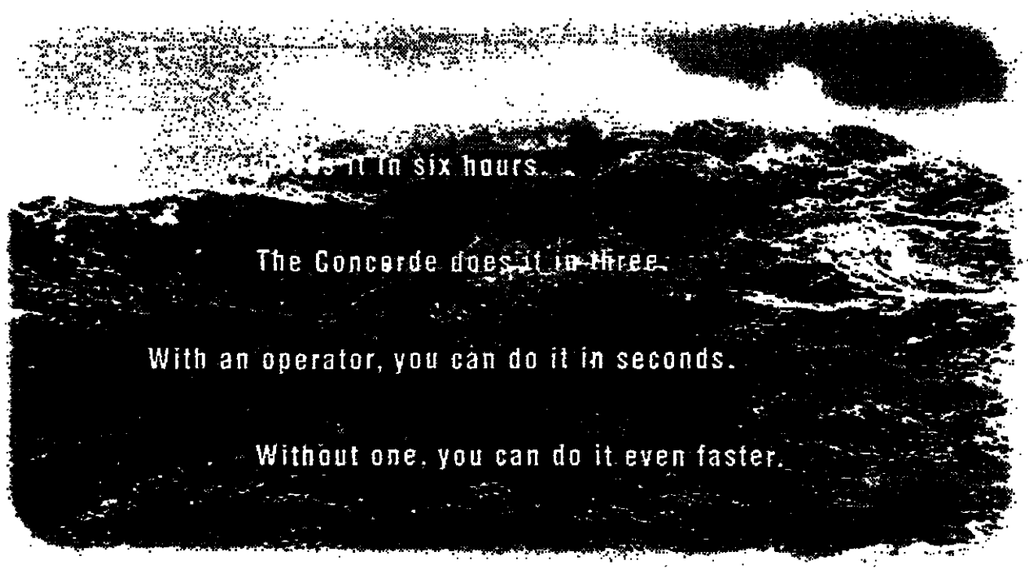
	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Bangkok	29/84	22/71	c	29/84	21/70	c
Beijing	8/43	-7/20	s	8/46	-4/25	s
Hong Kong	20/68	16/61	pc	19/66	16/61	c
Manila	29/84	22/71	c	30/86	22/71	c
New Delhi	24/75	12/53	pc	22/71	11/52	c
Seoul	1/34	-9/16	c	5/41	-7/20	s
Shanghai	11/52	0/32	s	11/52	2/35	s
Singapore	27/80	23/73	r	28/82	24/75	r
Taipei	19/66	14/57	c	20/68	15/59	pc
Tokyo	9/48	2/35	pc	10/50	3/37	pc

Latin America

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Buenos Aires	35/95	26/79	pc	30/86	20/68	pc
Caracas	29/84	17/62	s	27/80	18/64	pc
Lima	24/75	19/66	pc	22/71	18/64	pc
Mexico City	21/70	7/44	pc	22/71	7/44	pc
Rio de Janeiro	35/95	23/73	t	35/95	23/73	r
Santiago	26/79	6/43	pc	30/86	16/61	pc

North America

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Anchorage	-4/25	-8/18	sn	-4/25	-11/13	pc
Atlanta	7/44	-2/29	s	8/46	-3/27	pc
Boston	-2/29	-7/20	sn	-1/31	-5/24	sf
Chicago	-2/29	-8/18	s	-1/31	-8/18	c
Denver	4/39	-8/18	s	3/37	-10/15	s
Detroit	-2/29	-7/20	c	-2/29	-7/20	c
Honolulu	31/88	21/70	pc	28/82	22/71	pc
Houston	12/53	2/35	pc	8/46	3/37	r
Los Angeles	19/66	10/50	s	18/64	8/46	s
Miami	23/73	11/52	s	21/70	11/52	s
Minneapolis	-4/25	-9/16	pc	-5/24	-10/15	c
Montreal	-7/20	-13/9	sf	-8/18	-14/7	sf
Nassau	27/80	21/70	c	27/80	20/68	pc
New York	-1/31	-4/25	sf	-1/31	-4/25	pc
Phoenix	17/62	7/44	pc	16/61	5/41	pc
San Fran.	12/53	6/43	pc	13/55	7/44	sh
Seattle	8/46	4/39	c	9/48	4/39	r
Toronto	-6/22	-10/15	sf	-3/27	-9/16	sf
Washington	0/32	-4/25	sf	1/34	-4/25	pc



AT&T USADirect® and World Connect® Service lets you quickly place calls to the U.S. and over 205 countries on your own. Just dial the AT&T Access Number for the country you're calling from listed below, then follow the voice prompts. Your call will get through fast.

EUROPE

Armenia*†	8014111
Austria*†††	022-903-011
Belgium*	0-800-100-10
Bulgaria ■	00-1800-0010
Croatia†◆	99-385-4288
Czech Republic*	00-420-00101
Denmark	8001-0010
Finland	9800-100-10
France	19-0011
Germany	0130-0010
Gibraltar ■	8009
Greece	00-800-1311
Hungary*	080-800-01111
Iceland*	800-9001
Ireland	1-800-550-000
Italy*	172-1011
Lithuania◆	80196
Luxembourg	0-800-0111
Macedonia, F.Y.R.*†††	99-800-4288
Malta ■	0800-890-110
Monaco*	19-0011
Netherlands*	06-022-9111
Norway	800-190-11
Poland†*†	00010-480-0111
Portugal†	05017-1-288
Romania*	01-800-4288
Russia*† (Moscow)	155-5042
Slovak Rep.*	00-420-00101
Spain ■	900-99-00-11
Sweden	020-795-611
Switzerland*	155-00-11
Turkey*	00-800-12277
Ukraine†	8^10-11
United Kingdom	0500-89-0011
	0800-89-0011

MIDDLE EAST

Bahrain ■	800-001
Cyprus* ■	080-90010
Egypt* (Cairo)†	510-0200
Israel	177-100-2727
Jordan ■	18-800-000
Kuwait ■	800-288
Lebanon (Beirut)*††	426-801
Qatar ■	0800-011-77
Saudi Arabia ■	1-800-10
Syria	0-801
U. Arab Emirates* ■	800-121

AFRICA

Gabon*	000-001
Gambia*	00111
Ghana	0191
Ivory Coast*	00-111-11
Kenya†	0800-10
Liberia	797-797
Morocco ■	002-11-0011
Sierra Leone	1100
South Africa	0-800-99-0123
Zambia◆	00-899
Zimbabwe†	110-899

AMERICAS

Argentina◆	001-800-200-1111
Bolivia*	0-800-1112
Brazil*	000-8010
Canada	1-800-225-5288
Chile	1-23-0-0311
Colombia	980-11-0010
Ecuador*	999-119
El Salvador ■	190
Guatemala*	190
Honduras †	123
Mexico◆◆◆ ■	95-800-462-4240
Nicaragua	174
Panama ■	109
Peru†■	171
Venezuela*■	80-011-120

AT&T Your True Choice

AT&T Access Numbers for countries in the Asia/Pacific region are listed daily in the Asian edition of the International Herald Tribune.

news

Moors murderer's letter: MPs and victims' relatives dismiss newspaper article as attempt to aid parole appeal

Hindley friends say 'confession' was not a stunt

STEVE BOGGAN
Chief Reporter

A letter written to a newspaper by the Moors murderer Myra Hindley, taking "full responsibility" for the part she played in the killings, in the 1960s, was condemned yesterday as a publicity stunt and as a forerunner to a parole application.

But her friends denied claims that the admissions were designed to prepare the public for an application for release.

In a 5,000-word article written in her prison cell, Hindley confessed to being "corrupt, wicked and evil" and said that she was "more culpable" than her fellow Moors murderer, Ian Brady. But there was little welcome for her frankness, as MPs and relatives of her victims described it as a publicity stunt.

While one MP called on Michael Howard, the Home Secretary, to restrict prisoners' access to the media, friends of Hindley said her confessions were "from the heart".

Hindley, 53, wrote the article in the *Guardian* in response to an earlier article which described her as a psychopath. She wrote to the newspaper and denied having psychopathic tendencies, a denial which resulted in an invitation to explain why, if she was not mentally ill, she had taken part in the murders of five children.

During an astonishingly frank confession, she explains how she met Brady, became besotted by him and how she was slowly overwhelmed by his personality. She describes a miserable early life in which her father regularly beat her mother, but she does not try to shift blame for the murders on to Brady.

"I wasn't mad, so I must have been bad, became bad by a slow process of corruption," she wrote. "I never attempted to justify my actions either to myself or Ian Brady. I was the more culpable of the two. If we had not met there would have been no murders, no crime at all. I would probably have got married, had children and would now be a grandmother."

Roger Gale, chairman of the Conservative backbench media committee, criticised the *Guardian* for publishing the article and said he would ask Mr Howard to examine media access to prisoners. "I am becoming increasingly and very genuinely concerned at the manner in which convicted criminals are given access to a media desperate for salacious stories to assist them in their circulation war. What has been published today is in fact a 5,000-word publicity stunt on behalf of a murderess," he said.

Peter Topping, the former detective who took Hindley on to the Moors in 1987 to find more bodies, said: "She has one ambition, one aim, and that is to obtain parole, and there will be, in this letter, a build-up to that sort of application, I feel."

But Joe Chapman, Hindley's former counsellor, said the article was from the heart. "This has been boiling up for some time now. I don't think any legal moves are close, although there will be an application for a judicial review of the Home Secretary's full life sentence."

One of Hindley's closest friends, who does not wish to be named, said: "This is not a stunt. Myra was accused of being a psychopath, yet throughout the years it has been accepted by all those who examined here that she was not mentally ill. This is her way of setting the record straight."

Andrew McCooey, Hindley's former solicitor, said: "I don't think this is part of any sort of concerted campaign to win the public over. For years, she listened to advisers who told her to say nothing while the world threw all it could at her. Recently, she has decided to go it alone and have her say . . . ."

Hindley was jailed for life in 1966, with Brady, for killing Lesley Ann Downey, 10, and Edward Evans, 17. Brady was also convicted of murdering John Kilbride, 12. They later admitted killing Pauline Reade, 16, and Keith Bennett, 12.

Crime partners: Hindley and Brady on the Moors where they buried their victims, in the 1960s Photograph: James Nicholson

Asylum seekers 'under threat' of starving

NICHOLAS TIMMINS
Public Policy Editor

Refusing asylum seekers benefits while they appeal against a decision to grant them refugee status is the equivalent of "starving them out of the country", the Joint Council for the Welfare of Immigrants said yesterday.

People would be left without funds to pursue their appeal, and required to "live on air" when appeals were taking months to process, the council told the House of Commons Social Security Committee.

Its attack came as two local authorities, including the Tory-controlled Westminster Council, plan today to seek an injunction forcing a further deferment of the Government's plans to cut benefits to asylum seekers, and as Peter Brooke, the Tory MP for Westminster South and a former Cabinet minister, added his opposition to the proposals.

Ministers have promised a Commons debate in the New Year before the new regulations take effect, but yesterday the joint council told MPs that the "draconian" and "shocking" proposals should be dropped.

Claude Moraes, the JCWI's director, said the clear aim of the policy was "to rush people to the nearest airport" once their original application was refused.

However, he said, people should be allowed to appeal against an administrative decision. "It is tantamount to pre-empting the result of the appeal if people are to be refused the means of support while they are contesting a decision and are therefore unable to live while doing so."

In effect, ministers were prejudging the appeals by making it impossible for individuals to support themselves and prepare their cases and if that was the case, ministers might as well dismantle the appeals system, he said. MPs were told that a faster appeals system rather than benefit cuts should be the way to save public money.

Both Westminster and Hammersmith and Fulham councils were yesterday hoping for an injunction preventing the Government from introducing the regulations until their effect across housing and social security legislation has been fully assessed.

While up to 13,000 asylum seekers and their dependants will lose the right to housing benefit under the changes, councils will retain a duty to them under homelessness legislation until the new Asylum and Immigration Bill becomes law in the summer.

Status of vocational qualifications to get boost

Dearing: Bridging gaps

JUDITH JUDD
Education Editor

Vocational qualifications may get a new name under proposals being considered by the Government's chief adviser on exams, Sir Ron Dearing.

Sir Ron, whose report on education for 16- to 19-year-olds will be published next spring, is considering calling advanced vocational qualifications "applied A-levels".

The aim is to achieve higher status for vocational qualifications, which tend to be taken by pupils of lower academic ability than those studying A-levels.

At present 16-year-olds choose to study GNVQs – advanced vocational qualifications – or A-levels.

Sir Ron is looking at ways of bringing the two qualifications closer together by including common content for the first year of study and by insisting on "core skills" of literacy, numeracy and information technology.

A core first-year syllabus would be easy to introduce in subjects such as business, design, technology, sports studies and media studies where A-levels are already on offer.

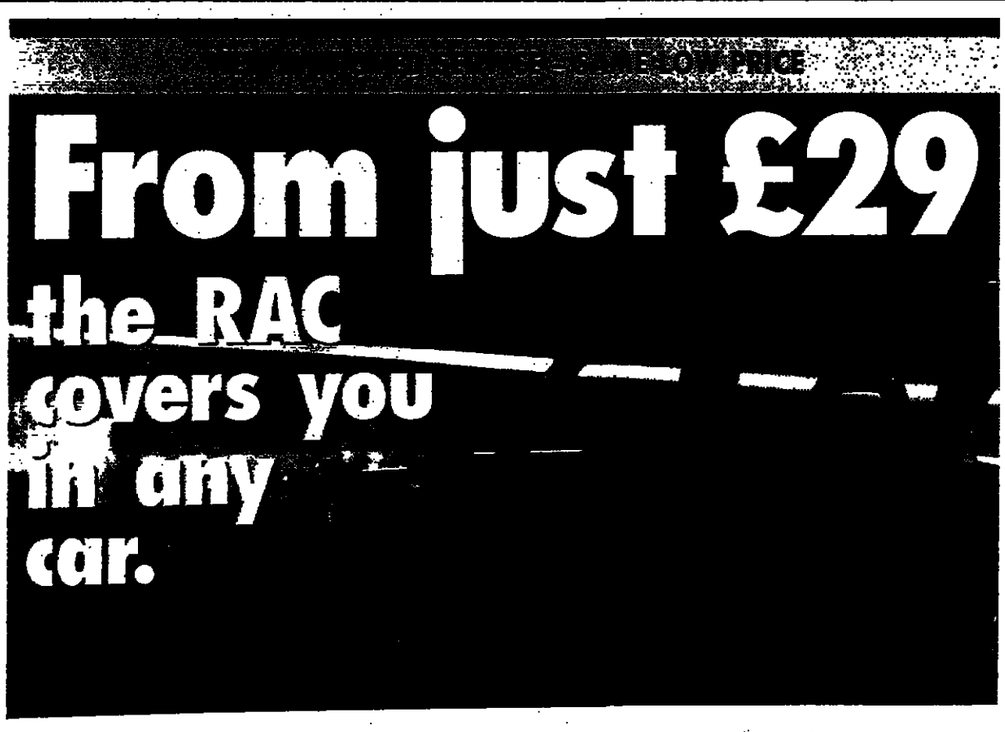
Sir Ron is also considering changes in the way vocational qualifications are assessed. A series of reports has said that their assessment is unreliable because there are too few external checks on standards.

Sir Ron may propose that written external exams should be introduced for GNVQs.

His report is expected to advocate that all sixth-formers should take five subjects in their first year which might be a mixture of vocational and traditional A-level courses.

Some pupils might then go on to A-level while others might leave with their "intermediate" qualification.

The report is also likely to suggest a common certificate for A-level and vocational qualifications as another means of breaking down the barriers between the two. Teachers and employers have long been critical of A-level for being too narrow and specialised.



Membership of the RAC still starts at just £29 – but now your basic cover offers even more benefits.

■ RAC Rescue covers you, not your car. So now you can call on us whenever you need fast roadside assistance, even when you're simply a passenger in someone else's car.

■ Roadside Rescue. In more than 8 out of 10 cases, our patrols can fix cars on the spot. Otherwise, they'll tow you to a nearby garage, free of charge.

■ Accident Service. A free courtesy car, free legal advice, plus we'll deal with your insurers.

■ Theft and Vandalism Cover. If your car's stolen or can't be driven because of vandalism, we'll get you home and recover your car, too.

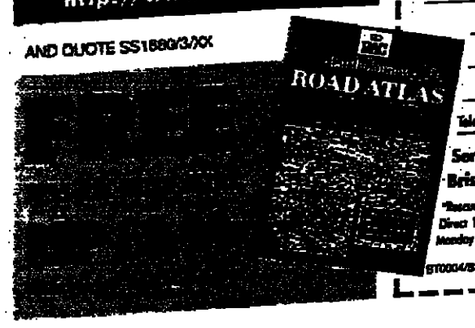
■ Battery Assist. A new battery on the spot.

Whatever service you use, callouts and our labour are free – you only pay for parts.

You can also tailor your cover to meet your needs, with the option to take out Joint and Family Cover or add our 'At Home' service.

Don't wait until you break down. Find out how to join the RAC today.

PHONE FREE TODAY ON
0800 029 029
OR INTERNET
http://www.rac.co.uk/
AND QUOTE SS1880/3/XX



YES – I want to join the RAC.
Please tell me how I can join from just £29:

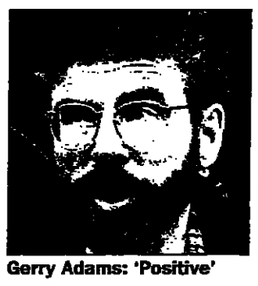
Mr/Mrs/Miss/Ms
Address
Postcode
Telephone

Send to: RAC Rescue, FREEPOST, Bristol BS38 7AU. (No stamp needed.)

*Rescue costs £29 if you pay by Continuous Credit Card Authority or Direct Debit. All prices include an enrolment fee. Phone lines open Monday – Friday 8am – 8pm, Saturday 9am – 5pm, Sunday 10am – 4pm.

RAC
IT SAYS YOU'VE ARRIVED

Adams puts case for IRA keeping arms



Gerry Adams: 'Positive'

ALAN MURDOCH
Dublin

Sinn Fein yesterday urged the international decommissioning body headed by the former US senator George Mitchell to recognise that the task of removing all arms from the Northern Ireland conflict would not be resolved simply by disarming republicans.

The party's president, Gerry Adams, said its submission was a "political" one and yesterday's initial session did not involve establishing an inventory of what weaponry the IRA at present holds but had dealt with the arms issue in "a global way".

"This entailed arguing for disarmament of all factions, including withdrawal of British security forces, and not just republican elements."

Mr Adams and colleagues dealt at length in the two-and-a-half-hour meeting in Dublin Castle with Loyalists weapons, some of which Sinn Fein maintain were supplied by British military intelligence, and the number of privately held firearms among Unionists.

The submission challenged British assertions that the security forces could not be assessed in the same context as paramilitaries. Sinn Fein raised alleged collusion between British intelligence and Loyalist paramilitaries.

Mr Adams said the meeting had been "constructive and positive" and said he had been impressed by the speed and urgency with which Mr Mitchell and his colleagues were approaching their task.

He added that in three days the commission had met more people and heard more submissions than the British government had over 16 months since the IRA ceasefire.

Mr Adams appeared more optimistic than on Friday, when he said Sinn Fein would not speak any more authoritatively on IRA weapons than other parties. This caused raised eyebrows among Irish government figures who insisted that during autumn discussions in Dublin Sinn Fein gave assurances it would speak for the IRA.

The commission was on its second day in Dublin, after two days in Belfast hearing from British and Northern Ireland parties. Other submissions yesterday came from the Irish government, delivered by foreign minister Dick Spring and justice minister Nora Owen; from Garda Siochana representatives who gave intelligence on the scale of the IRA arsenal; and Irish Catholic and Protestant Church of Ireland leaders.

Mr Spring stressed the commission, which also includes a Canadian general, John de Chastelain, and the former Finnish premier Harri Holkeri, had asked for time to consider submissions. Mr Spring later reiterated that the twin-track process and the objective of demilitarisation required compromise on all sides.

There was weekend speculation in the Dublin media that Irish ministers would urge the commission to suggest compromise proposals to help overcome the stalemate over Britain's demand for a start to IRA decommissioning before Sinn Fein can join all party talks. It was claimed these proposals might include recommending the IRA end punishment beatings, recruitment, training and surveillance operations.

While Irish ministers believe paramilitary decommissioning is a possibility in the context of an overall political settlement, it is convinced there is no possibility of this happening prior to all-party talks.

■ Two men fighting extradition to Britain were freed on bail by the High Court in Dublin yesterday. Nessan Quinlivan, 30, and Pearse McCanley, 31, were released on bail of £70,000 each with strict conditions they report daily to gardai.

The Dublin district court last week ordered their extradition on charges alleging they escaped from Brixton prison in 1991. The legal battle could take 18 months.

LEPROSY CAN BE CURED...

Before treatment

...and the sooner we **start**, the sooner it can be **stopped**.

After treatment

In 1995, we don't think it's right that people still suffer from a disease which is completely curable. When the treatment, which costs as little as £20, can not only transform disfigured faces, but restore lives aswell. Countdown to Cure is our new five year programme aimed at controlling leprosy as a world disease by the year 2000.

But we can only do it with your help. Please help us by sending a donation to The Leprosy Mission, Box No. 73, FREEPOST, Goldhay Way, Peterborough PE2 5GZ.

Thank You.

THE LEPROSY MISSION
COUNTDOWN to cure

Name
(Full name & title in CAPITALS)
Address
Postcode

I wish to give £20 ☐ £30 ☐ £40 ☐ £50 ☐ Other £ ☐
(£20 will provide medication to cure a leprosy sufferer)
*I enclose my cheque (made payable to Countdown TLM)
*I would like to give by Access/Master/Visa – please charge the above amount to my account number:-

Expiry Date Signature
*Please delete as appropriate
A Registered Charity

IND 19/12

Car suicide father killed his four children

IAN MACKINNON

A father faced with a mountain of debt killed himself and his four young children days after receiving a demand from the Child Support Agency that he pay £2,800 within two weeks.

An inquest yesterday heard that Phillip Mitchell, a 36-year-old divorcee, took his own life and those of his children, Jonathan, nine, Cathryn, seven, and twins Jessica and Christopher, six, in a fume-filled car.

But during the hearing at Crewe, Cheshire, no mention was made of his debts of more than £20,000 or the demand from the CSA for £2,800. These were revealed by police afterwards.

Campaigners against the Child Support Act seized on the tragic deaths as an inevitable consequence of the Government's policy to ensure that fathers meet maintenance costs.

The Network Against the Child Support Act said that since the legislation came into force it had claimed 35 lives and would cost more as a result of the impossible financial burdens it imposed on some families.

The Cheshire coroner, John Hibbert, was told how Mr Mitchell, who had open access to his children, collected them from Church Walk Primary School in Northwich, Cheshire on 28 September and took them to a restaurant. He had agreed to look after them until 8pm while their mother, Linda, 34, went to netball practice.

However, Mr Mitchell did not return them and Mrs Mitchell telephoned and visited his flat to try to find the children.

Phillip Mitchell: Mountain of debt and CSA demand

The following morning Mr Mitchell's car was discovered in Middlewich with its engine running and a hose-pipe leading from the exhaust into the car.

Detective Chief Inspector Jim Buckley said he found the bodies of Mr Mitchell and his four children inside the car.

Det Ch Insp Buckley confirmed that a few days before he died Mr Mitchell had received a demand to pay £2,800 within 14 days, was shortly due to begin payments of £51.50 a week in child maintenance and had debts totalling more than £20,000.

To supplement his earnings as a cutter, Mr Mitchell had taken an evening cleaning job but had lost the contract. In a desperate attempt to get money quickly he had taken bad advice which led him into further debt. He tried to meet this through pyramid selling, gambling in casinos and paying off loans by taking out other loans.

But Det Ch Insp Buckley said that had Mr Mitchell gone to the Citizens' Advice Bureau he could have made arrangements to pay off his debts.

"No debt is serious enough to take your own life, let alone the lives of four children," said Det Ch Insp Buckley. "I feel angry at the way Phillip Mitchell went about the finalisation. Had he sought proper advice he would have been given it and been allowed to pay those debts off. Five people died and there was absolutely no need for it."

Det Ch Insp Buckley added: "I think the CSA demand was one of several he received that week. I cannot be specific in saying that was the one demand that pushed him over the edge."

But Mike Pimblott, of the Network Against the CSA, said that this case was part of a pattern. "It's a very tragic and sad thing, but it's not unusual. There are bound to be tragic cases because of the complete and utter incompetence of the CSA."

Trevor Berry, of Families Need Fathers said that the fault lay in the inflexibility of the system and the dangers would lurk until a proper appeals procedure had been put in place. The CSA declined to comment.

The coroner recorded a verdict of unlawful killing of the four children.

Tragic deaths: The Mitchell children, from left, Jonathan, Jessica, Christopher and Cathryn who died with their father in a fume-filled car

Mensa boss sacked 'for using body to run own business'

Harold Gale: Claims unfair dismissal from Mensa

WILL BENNETT

The top official at Mensa, the society for people with high IQs, made thousands of pounds by running a business from the organisation's headquarters, an industrial tribunal was told yesterday.

Harold Gale used his position to increase subscriptions to his own magazine and sold puzzles to newspapers who thought they were buying Mensa games, it was alleged. Mensa staff spent time working for Mr Gale's company, Harold Gale Associates, and one, who was a director of his company, received a 20 per cent pay rise.

Mr Gale, 54, from Lilleshall, Warwickshire, was sacked for gross misconduct last March after 19 years as executive director of Mensa. His dismissal followed a raid on its Wolverhampton headquarters by society officers, including Sir Clive Sinclair, the inventor, who is chairman.

Mr Gale says that members of the British Mensa Committee, the organisation's ruling body, were aware of his commercial activities. He is alleging wrongful dismissal at the tribunal in Birmingham.

Alistair Smail, for Mensa, told the tribunal: "Mr Gale had total authority and because of that complete trust was placed in him by the British Mensa Committee. He was well rewarded ... and was paid about £60,000 a year.

"Most people in Mensa knew he published a small magazine called *Mind Games* and that he had set up a private company called Harold Gale Associates Limited.

"Up until 1985, *Mind Games* had been on sale in newsagents and Mensa advertised in it to attract new members. But in 1985 it became a subscription-only magazine. Mr Gale attracted new subscribers by approaching people who had approached Mensa for membership. The British Mensa Committee thought that *Mind Games* was produced in Mr Gale's own time. He was dismissed because he breached the complete trust Mensa placed in him to pursue their interests.

"He had exercised his undoubted entrepreneurial skills to promote the interests of his own company, not Mensa's.

"The charges against him are that he diverted inquiries made to Mensa for sales of puzzles away from Mensa to his own company, making himself thousands of pounds.

"He also used Mensa employees and their time to work on behalf of his company while ensuring that Mensa met his overheads."

Mr Smail said that Mr Gale, who built up Mensa from a small, 1,300-strong society to a membership of 40,000, "passed off the work of his own company as being Mensa's".

Kenneth Sutton, secretary of British Mensa, told the tribunal that Mensa derives much of its income from selling merchandise with the society's logo, puzzle-books, quizzes and intelligence tests. After Mr Gale's suspension, Mr Sutton said he discovered that money from newspaper quizzes had been going to Harold Gale Associates and not Mensa. The papers told him they were under the impression that they were getting them from Mensa.

Mr Sutton said that concern about Mr Gale's business activities had begun after a director of British Mensa had written to Sir Clive Sinclair telling him what was going on.

After Mr Gale's suspension accountants were brought in to examine invoices and computer records and Mensa's 25 staff were interviewed. They revealed that they spent many hours working for Harold Gale Associates and one puzzle setter said she spent half her time on Mr Gale's company business.

The tribunal continues today.

Sir Clive Sinclair: Helped raid society headquarters

Dismissed soldier takes case to European court

CHRISTOPHER BELLAMY
Defence Correspondent

A British soldier dismissed by a court martial in 1991 yesterday won the right to refer his case to the European Court of Human Rights.

The military court reduced Alex Findlay in rank and dismissed him from the British Army for threatening fellow soldiers while allegedly suffering from post-traumatic stress disorder following service in the Falklands in 1982. His case threatens to overthrow the independent system of military law in Britain and has influenced changes in the Armed Forces' Bill, announced in the Queen's speech last month.

But last night the Ministry of Defence said: "We did not think we at any time breached the European Convention on Human Rights." It said the challenge was based on the way the military justice system was closely tied in with the management and discipline of the armed forces.

Mr Findlay joined the Scots Guards in 1980. He served in the Falklands in 1982, when the battalion played a decisive role in breaking the Argentine defences on the approaches to the capital, Port Stanley. He suffered a back injury during training in 1987 and in 1990, as a Lance Sergeant (equivalent to corporal in most units), was alleged to have held members of his unit at pistol point after a drinking session in Northern Ireland. He allegedly held a pistol to one soldier's head.

In 1991 he was convicted by a court martial and sentenced to two years' in prison. In 1992 he applied for a judicial review but the High Court ruled that his conviction under the Army Act was legal. He then appealed to the European Commission of Human Rights which yesterday referred his case to the European Court.

His claim centred on the grounds that the "convening officer" decided the charges, where the court should be held, the appointment of prosecutors and the confirming officer. He claimed the "chain of command" exercised undue influence – in contrast to civil law when the executive is distinct from the judiciary.

The convening officer's role is to be examined in the revision of the Armed Forces' Bill next year. It will also examine the appeals process and enhance the role of the Judge Advocate General – the Army's chief legal officer. Finally, it will review the current arrangements which favour summary justice by the commanding officer – whether the accused will accept his award or elect trial by court martial. Soldiers on a charge usually elect the former.

The MoD said it was surprised by the ruling, but one source said the review of the Armed forces' Bill every five years made military law more flexible than civil law in responding to changed social conditions. Throughout most of the last 600 years, however, military law has been draconian. The idea is that a disciplined force needs a "portable system of justice, which will go wherever the troops go, rather than relying on the system in place wherever they might be", an Army source said last night.

However, like the civil justice system, the military justice system is facing challenges from the European courts.

EC edict sends French on the slippery slopes

ANDREW MARSHALL

French ski instructors may lack a little of their usual sang-froid this year as they whiz down the slopes in their oh-so-tight red ski suits.

The European Commission has decided that France may be breaking European law by keeping out instructors from other countries, and is threatening to get tough with Paris.

In particular, France has been charged with keeping out instructors from Britain – a country that has a claim to have invented downhill ski-ing.

"Ski instructors who have qualified in other member states have encountered a persistent refusal by the French authorities to recognise their diplomas," the European Commission said in a statement yesterday.

"The Commission considers that French regulations concerning sport are too restrictive regarding the access of professionals with qualifications gained in other member states."

It has opened the second stage of infringement proceedings against Paris, and could go to the European Court if life does not become easier for instructors from abroad.

Nose-pickers steer path to danger

MATTHEW BRACE

Forget road rage. Many drivers' personal habits are even less savoury and more dangerous. Nose-picking, newspaper reading and letter-writing are among the more unsavoury and bizarre habits people resort to behind the wheel, according to a new survey.

They are also adept at dreaming up elaborate excuses in the wake of accidents, says the Mori poll for the British School of Motoring.

More than one-tenth of those motorists questioned admitted to picking their noses, 16 per cent to flicking through the morning papers or reading a book, and 2 per cent to writing letters.

Amusing as the results are, they have left Keith Cameron, the BSM's road safety consultant, rather worried.

"It is amazing how often you notice people reading papers while driving along or turning their head to talk to the person in the back seat and it is often amusing to see people singing along to the radio or picking their nose," he said.

"People do the strangest things in their car, but they simply don't realise how dangerous they are. If you take your eyes off the road for only one second at 70mph you will have covered over 105 feet.

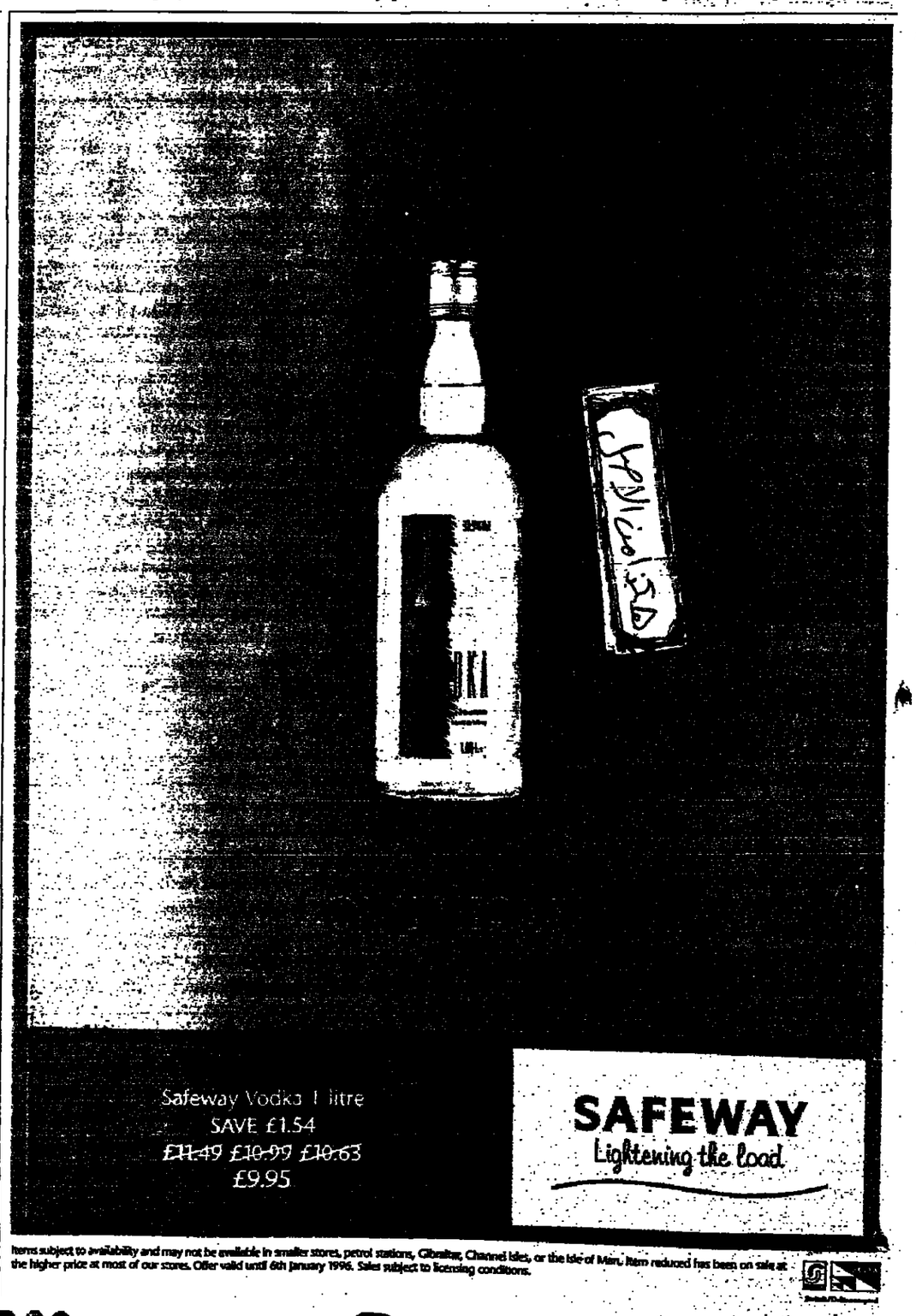
"Even at 30mph you are covering 45 feet every second. It is also very difficult to concentrate on two things at once, let alone keep control of the car when lighting up a cigarette, eating a sandwich or holding hands with your passenger."

People also put on their make-up, comb their hair and chat on the phone. Women sing more than men while driving, but men are twice as likely to be distracted by people in the street or other cars and to read maps and papers.

Drivers over 65 years of age are more likely to say they concentrate only on their driving, while 99 per cent of 17- to 24-year-olds combine additional activities when behind the wheel. The survey found that young people are six times more likely to hold hands with their passengers and three times more likely to eat and drink in the car.

Drivers' excuses are also hard to swallow. Among the explanations given were:

- "An invisible car came out of nowhere, struck my car and vanished."
- "I once collided with a stationary lorry coming the other way."
- "The pedestrian had no idea which direction to run, so I ran him over."
- "I looked across at my mother-in-law and headed over the embankment."



Items subject to availability and may not be available in smaller stores, petrol stations, Gibraltar, Channel Isles, or the Isle of Man. Item reduced has been on sale at the higher price at most of our stores. Offer valid until 6th January 1996. Sales subject to licensing conditions.